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**INTELLECTUAL PROPERTY RIGHT II
(Subject Code - LO 0609)**

**STUDY MATERIAL
FOR**

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Module 1 Copyright

Nature & Scope of Copyright

Introduction:

Copyright is a unique kind of intellectual property. The right which a person acquires in a work, which is the result of his intellectual labour, is called his copyright.

The primary function of a copyright law is to protect the fruits of a man's work, labour, skill or test from being taken away by other people. This is very foundation of copyright law.

Copyright law is essential to encourage exploitation of copyright of work for the benefit of the public. The importance of copyright protection was recognised only after the invention of the printing press in the 15th century which enabled the reproduction of books in large numbers practicable.

Meaning & Definition:

The word 'copyright' is derived from the expression 'copier of words' The word 'copy' is presumed to date back to 1485 A.D. and was used to connote a manuscript or other matter prepared for printing.

Black's Law Dictionary: The word 'copy' means "transcript, imitation, reproduction of an original writing, painting, instrument or the like"

Black's Law Dictionary: The word 'Copyright' is the right in literary property as recognised and sanctioned by positive law. An intangible incorporeal right granted to the author or originator of certain literary or artistic production whereby he is invested for a specified period with the sole and exclusive privilege of multiplying copies of the same and publishing and selling them.

Oxford English Dictionary: Copyright is an 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.

Statutory definition (Sec 13): Copyright means the exclusive right to do or authorise other(s) to do certain acts in relation to—

literary, dramatic or musical works; and artistic work;
cinematograph film; and
sound recording.

Scope of Copyright:

Initially in the earlier days, the scope of copyright was restricted only to the protection of literary and artistic works, but now it has been broadened to include dramatic and musical works, cinematograph film, and sound recording. In addition, neighboring rights which consist of the rights of performers, the rights of producers of phonograms and the rights of broadcasting organisations are also covered by the copyright law.

The reason why scope of the copyright has become so vast is the technological innovations which took place in the last two centuries. Technological innovations, e.g. computers, audio recording, video recording, cable television, satellite broadcasting and most recently Internet have posed challenges to copyright laws from time to time, and forced the nations to amend their laws.

Characteristics of Copyright:

Creation of a statute:

Copyright is creation of a statute and thereby it is granted and protected according to Copyright Act. There is no such thing as common law copyright. No copyright can exist in any work except as provided in the section 16 of the Copyright Act.

Some Form of intellectual property:

A copyright is a form of intellectual property, since the product over which the right is granted is the result of utilisation and investment of intellect, e.g. literary work.

Monopoly right:

Copyright is a monopoly right restraining the others from exercising that right which has been conferred on the owner of copyright under the provisions of the Act. The right also extends to prevent others from exercising any right attached to copyright without authority.

Negative right:

Copyright is a negative right meaning thereby that it is prohibitory in nature. It is a right to prevent others from copying or reproducing the work.

Case: Time Warner Entertainment Co., L.P. v. RPG Netcom (AIR 2007 Del. 226)

The Court observed that the object of copyright law is to prevent copying of physical material and form in the field of literature and art. It is essentially a negative right given to the author, in the sense that the Act does not confer the owner with a right to publish his work but the right to prevent third parties from doing that which the owner is solely allowed to do under the Act.

Object of copyright:

The object of copyright law is to encourage authors, composers and artists to create original works by rewarding them with the exclusive right for a specified period to reproduce the works for publishing and selling them to public.

The foundation of Indian Copyright Law has a moral basis and is based on the Eighth Commandment, "Thou Shalt not Steal". The fundamental objective of Indian Copyright Law has always been the protection of the fruits of a man's skill, labour and effort from appropriation (misuse) by others.

Thus protecting, recognizing and encouraging the labour, skill and capital of another is the object of a copyright.

Multiple rights:

Copyright is not a single right. It consists of a bundle of different rights in the same work. For example - in case of a literary work, copyright comprises the right of reproduction, the right of publication in newspapers and magazines, the right of translation, adaptation, abridgement and the right of public performance.

Neighbouring rights:

Copyright consists not merely of the right to reproduction. It also consists of the right to works derived from the original works; rights like the right of public performance, the recording right and the broadcasting right which are as important or even more than the right of reproduction. Such related rights are termed "neighbouring rights".

No copyright in ideas:

There is no copyright in ideas. It is not a right in novelty of ideas. Copyright subsists only in the material form in which the ideas are translated or expressed i.e. in book, film, photograph or musical tone. Copyright does not create any right in idea but in the final work which is created as the result of the physical shape to the ideas. It is not an infringement of copyright to adopt the ideas of another. Mere idea unless expressed is not capable of claiming any copyright.

Case: Donoghue v. Allied Newspapers Ltd. (1937) 3 All ER 503

A person may have a brilliant idea for a story or a picture in his mind, he then narrates his idea to another person, who works on the idea and writes a book or play or paints a picture the person who communicated the idea cannot claim the copyright, and it is the second person who gave expression to the idea and he will become entitled to claim copyright.

Case: R.G. Anand v. Delux Films

The Supreme Court of India declared that there can be no copyright in an idea, subject-matter, themes, plot or historical facts.

Original:

Copyright subsists only in original work. The word 'original' does not mean that the work must be the expression of original or inventive thought. The originality relates to the 'expression of the thought', and the work must not be copied from another work, i.e. the work should originate from the author.

No formalities like registration are required to acquire copyright. Copyright in a work automatically subsists as soon as the work comes into existence provided it is original. Although there is a provision for registration of copyright work, it does not confer any special right or privilege on the owner of the copyright.

Subject matter of Copyright:

Copyright protection is available in various fields of intellectual creativity. Section 13(1) of the Act lists out works, in which copyright subsists.

Section 13(1): Copyright shall subsist throughout India in the following classes of works, they are - Original literary, dramatic, musical and artistic works; Cinematograph films; and Sound recordings."

Literary work:

Definition: Section 2(o) -

The expression 'literary work' includes computer programmes, tables and compilations including computer database.

Analysis:

This statutory definition is not exhaustive. The word 'Literary' in copyright law is similar to the word 'literature in political or electioneering literature' and refers to written or printed matter. So long as there is sufficient amount of skill and labour in creating or selecting the material, no particular skill in literary form is needed.

The word Literary work is not confined to works of literature only but also includes all works expressed in writing whether they have any literary merit or not. Thus books on arithmetic, football coupons, a set of logarithmic tables, railway time table, telephone directories and income-tax returns have been considered as literary works, although they have no appeal to the aesthetic sense. Copyright subsists only in original literary work.

A literary work must be expressed in some material form, i.e., writing or print or in some form of notation or symbols.

What is protected In a literary work:

It is the product of the labour, skill and capital expended by an author on his work that is protected and not the elements or raw material used in the work. To secure copyright, it is necessary that labour, skill and capital should be expended sufficiently to impart to the product some quality or character which the raw material did not possess, and which differentiates the product from the raw material.

In determining whether a work is entitled to copyright protection a rough practical test is: 'What is worth copying is prima facie worth protecting'.

Adaptation of literary work - Section 2(a)(ii)

Copyright subsists in the original adaptation (version/edition) of a literary work. Adaptation means the conversion of the work into a dramatic work by way of performance in public or otherwise.

Abridgement:

Any abridgement (digest/synopsis) of the work or any version of the work in which the story or action is conveyed wholly or mainly, by means of pictures in a form suitable for reproduction in a book or in a newspaper, magazine or periodical.

A genuine abridgement of a literary work is an original work and can be the subject of copyright. To copy certain passages and omit others so as to reduce the volume in bulk is not an abridgement entitled to copyright.

Collective works:

Collective works are compilations which include, encyclopaedias, dictionaries, year books, newspaper, review, magazines, or similar periodicals and any work written by distinct authors or in which works or parts of works of different authors are incorporated.

In a collective work there are two copyrights:

- (1) Copyright in the separate parts which are vested in the respective authors of the parts, and
- (2) the copyright in the collective work as a whole which is vested in the person who collects the various articles from different authors arranges and edits them and very often incorporates notes of his own. The preparation of a collective work requires considerable amount of labour, skill, judgement and investment of capital and is, therefore, original literary work entitled to copyright protection.

Other literary works:

Dissertation:

The research thesis and dissertation prepared by scholar involves labour and skill, and thus entitles for copyright protection. In Fateh Singh Mehta's case - the Rajasthan High Court granted interim injunction against use of material by guide from the Ph.D., thesis of his student.

Question Papers - The person who sets the question papers invests labour, skill and time on the preparation. He is the author of question paper and the copyright vests in him.

Head Notes of Law Report and Digest - The head note is a systematic clear and concise presentation of principles of law laid down by court in a judgment. Preparation of head notes require art and skill of editor. They are, therefore, treated as original literary work entitled for copyright protection.

Translation - Translation of literary work is itself a literary work and is entitled to copyright protection. Reproduction or publication of translation without consent or licence of the owner of the copyright in the original would amount to infringement.

Computer software and programmes -

Definition - Sec. 2(ffc):

Computer programme means a set of instructions expressed in words, codes, schemes, or in any other form, including a machine readable medium, capable of causing a computer to perform a particular task or achieve a particular result.

Analysis:

Computer software includes many items like the programmed manuals and papers, punch cards and magnetic tapes or discs required for operation of computers. Program manuals and papers and computer printouts may be considered as literary work. Programmes devised for the working of computers is generally regarded as literary work. Magnetic tapes and discs including floppy discs which contain information recorded by means of electronic impulses may be considered as databases and accordingly literary work by definition.

Database:

A database is an accumulation of information stored in a way such that it can be systematically searched and retrieved by computer.

Dramatic works:

Definition - Section 2(h):

Dramatic work includes any piece for recitation, choreographic work or entertainment in dumb show, the scenic arrangements or acting, form of which is fixed in writing or otherwise but does not include a cinematograph film.

Analysis:

Copyright subsists in original dramatic work and its adaptation (version/edited). Definition lists only various types of works. Although cinematograph film is not a dramatic work, the script or scenario for a cinematograph film is a dramatic work.

Adaptation: In relation to dramatic work, It means:

the conversion of the work into a non-dramatic work,

the abridgement of the work or any version of the work in which the story or action is conveyed wholly or mainly by means of pictures in a form suitable for reproduction in a book, or in a newspaper, magazine or periodical.

Choreography is the art of arranging or designing of ballet or stage dance in symbolic language. It is a form of dramatic work. In order to qualify for copyright protection it must be reduced to writing usually in the form of some notation and notes.

Scenic arrangement or acting form must be fixed in writing or otherwise. Representation of scenic effects in drawings can also be considered as artistic works, costumes used by actors if represented in the form of drawings can be treated as artistic works. A dramatic work does not include a cinematograph film because it is a separate subject-matter for copyright.

Musical works:

Definition - Section 2(p):

Musical work means a work consisting of music and includes any graphical notation of such work, but does not include any words or any action intended to be sung, spoken or performed with the music.

Analysis:

Copyright subsists in original musical work. An original adaptation of a musical work is also entitled to copyright. Adaptation of musical work is usually called arrangements. Each such adaptation or arrangement is a musical work provided there is a sufficient element of intellectual creation.

Original work

A musical work must be original in order to qualify for copyright protection. In relation to musical work, as in literary and dramatic work, the answer to the question; "is this an original work?" must depend on whether sufficient skill or labour or talent has gone into it to merit protection. It is always a question of degree.

Song:

There is no copyright in a song as such because a song is not one of the types of work in which copyright subsists. A song has its words written by one man and its music by another; its words have a literary copyright, and so has its music. But these two copyrights are entirely different, and cannot be merged. So the song itself has no copyright.

Artistic works:

Definition - Section 2(c):

Artistic work means:

a painting, a sculpture, a drawing (including a diagram, map, chart or plan), an engraving or a photograph, whether or not any such work possesses artistic quality;
a work of architecture, and
any other work of artistic craftsmanship.

Analysis:

In respect of painting, sculpture, drawing, engraving or photograph the work need not possess any artistic quality but the author must have bestowed skill, judgment and effort upon the work. The skill, judgment and effort required is minimal e.g. a simple drawing of a human hand showing voters where to mark their cross on a voting paper was held entitled to protection.

A poster used in advertisement is an artistic work. The written matter in the advertisement may be considered as literary work. But advertisement slogans consisting of a few words only are not copyright matter. Commercial furniture is not artistic work.

Copyright can be claimed only in the original artistic work produced by a natural person by the expenditure of his personal skill and labour.

Adaptation of an artistic work means the conversion of the work into a dramatic work by way of performance in public or otherwise. Essentially an artistic work is concerned with visual image.

Painting:

A painting is an artistic work whether or not it possesses any artistic quality. A painting is a product of the art of representing or depicting by colours on surface (Concise Oxford Dictionary). A painting must be on a surface of some kind. Facial make-up as such, however, idiosyncratic it may be as an idea, cannot be painting for the purpose of copyright.

Sculpture:

Definition - Section 2(za):

A work of sculpture includes casts and models.

Concise Oxford Dictionary: Sculpture is the art of forming representations of objects etc. or abstract designs in the round or in relief by chiseling stone, carving wood, modeling clay, casting metal, or similar processes.

A work of sculpture is a product of such art.

Drawing:

Concise Oxford Dictionary: "Drawing" is the art of representing by line, delineation without colour or with single colour, and drawing in the noun is the product of such art.

A drawing includes any diagram, map, chart or plan. Drawing will include any kind of drawing including mechanical or engineering drawings. Mechanical and engineering drawings involve considerable skill and effort on the part of the draughtsman, and if the drawing is original it is entitled to copyright protection.

Simple drawing which involves no skill or effort may not be entitled to copyright e.g. a single straight line, with the aid of a ruler. Copyright may subsist in a product drawing.

Engravings:

Definition - Section 2(hh)(i):

Engravings include etchings, lithographs, woodcuts, prints and other similar works, not being photographs.

Concise Oxford Dictionary: Engraving is the art of inscribing or carving figures, etc., upon surfaces, or cutting figures, etc. in lines on metal surfaces for printing.

Although an engraver is ordinarily a copyist, his art requires considerable work and talent. Accordingly copyright subsists in an engraving distinct from the copyright on the picture from which it is produced. Copying from an engraving is an infringement of the copyright therein, but an engraving produced independently from the same picture is not.

Photographs - Section 2(s)

Definition - Section 2(s):

Photograph includes photo lithograph and any work produced by any process analogous to photography but does not include any part of cinematograph film.

A photograph is considered an artistic work entitled to copyright. A photograph must be original (i.e., originally taken) to be entitled to protection and to be original some degree of skill and effort must have been expended on it.

A photograph of an existing photograph is not entitled to copyright protection because it is a mere copy. The positive made from the negative is a reproduction of the photograph.

Work of Architecture:

Definition - Section 2(c):

A work of architecture means any building or structure having an artistic character or design, or any model for such building or structure.

Analysis:

To qualify for copyright protection it must be original and not a mere copy of another man's work. Further it must have artistic quality.

The building or structure which constitutes a work of architecture is built on the basis of a plan also enjoys a separate copyright apart from the copyright in the building. The layout of a garden containing steps, walls, ponds, etc., and the design for semi-detached villas may be considered as works of architecture. The only way in which a work of architecture can be published is by publishing a model of the work.

Works of Artistic Craftsmanship:

The question whether a particular article is a work of artistic craftsmanship is very difficult to decide. A few examples may throw some light on what constitutes artistic craftsmanship. A cobbler is a craftsman, but his craftsmanship is not artistic. A maker of hand painted tiles is a craftsman, but his craftsmanship is artistic and his products are works of artistic craftsmanship. Stained glass windows are works of artistic craftsmanship.

Cinematograph films:

Definition - Section 2(f):

'Cinematograph film' means any work of visual recording on any medium produced through a process from which a moving image may be produced by any means and includes a sound recording accompanying such visual recording and "cinematograph" shall be construed as including any work produced by any process analogous to cinematography including video films.

Analysis

A cinematograph film is a work capable of acquiring copyright.

Concise Oxford Dictionary - A cinematograph film is a film which by rapid projection through an apparatus called cinematograph produces the illusion of motion on a screen of many photographs taken successively on a long film.

Copyright protection is available only to the cinematograph film including the sound track. The cine artists who act in the film are not protected by copyright law for their acting. The actors and performers in the film are conferred certain special rights called performers' rights under Sec. 38 of the Act.

A cinematograph film may be taken of a live performance like sport events, public functions, or dramatic or musical performance or it may be based on the cinematograph version of a literary or dramatic work.

Sound recording:

Definition - Section 2(xx):

Sound recording means a recording of sounds from which such sounds may be produced regardless of the medium on which such recording is the method by which the sounds are produced.

Analysis:

Copyright subsists in a sound recording which means a recording of sounds from which such sounds may be produced regardless of the medium on which such recording is made or the method by which the sounds are reproduced.

Copyright will subsist in a sound recording only if it is lawfully made. The right of sound recording is different from the subject-matter recorded as they are subjects of independent copyrights. The author of the sound recording is the producer.

Musical works and sound recordings embodying the music are considered separate subject-matter for copyright. The copyright in the recording of music is separate from the copyright in the music.

Meaning of Copyright & Rights Conferred by Copyright:

Introduction:

Copyright is not a positive right but a negative right i.e. it is right to stop others from exploiting the work. Copyright is not a single right but a bundle of rights which can be exploited independently.

The nature of the copyright depends upon the category of work. But one right which is common to all works is the right to reproduce or make copies of the work. The owner of a copyright may exploit the work himself or licence others to exploit anyone or more of the rights for a consideration in the form of royalty or a lump sum payment.

Meaning of Copyright:

Sec. 14:

For the purposes of this Act, "Copyright" means the exclusive right to do or authorise the doing of any of the following acts in respect of a work or any substantial part thereof. Following are the rights in different works -

In case of Literary, Dramatic or Musical work:

Rights available are:

to reproduce the work in any material form including the storing of it in any medium by electronic means,

to issue copies of the work to the public not being copies already in circulation,

to perform the work in public, or communicate it to the public,

to make any cinematograph film or sound recording in respect of the work,

to make any translation of the work,

to make any adaptation (edition/version) of the work, or

to do, in relation to a translation or an adaptation of the work, any of the acts specified in relation to the work in sub-clauses (i) to (vi).

Analysis:

Reproduction:

'Reproduction' means not only exact reproduction but also copy of the work in any way and to any extent. Reproduction means copying. In a reproduction there should be sufficient copying to amount to infringement.

Publication of the work:

Publication means making a work available to the public by issue of copies or by communicating the work to the public.

Performance of the work in public:

This applies only to dramatic and musical works. Performance means any visual or audio presentation made by one or more performers.

Performer - includes an actor, singer, musician, dancer, acrobat, juggler, conjurer, snake charmer, a person delivering a lecture or any other person who makes a performance.

Translation:

Translation is not defined in the Act. It has the ordinary meaning of translating the work from one language to another. The copyright owner of the work is entitled to the translation right.

The translator has a copyright in the translation. But he cannot reproduce or publish the translation without the consent of the owner of the copyright in the original work.

Adaptation of work:

Adaptation of a literary work means the conversion of the work into a dramatic work by way of performance in public or otherwise an abridgement of the work or any version of the work in which the story or action is conveyed wholly or mainly by means of pictures in a form suitable for reproduction in a book or in a newspaper, magazine or similar periodical or any use of such work involving its rearrangement or alteration.

In respect of a dramatic work it means the conversion of the work into a non-dramatic work, any abridgement of the work or any version of the work in which the story or action is conveyed wholly or mainly by means of pictures in a form suitable for reproduction in a book, or in a newspaper, magazine or similar periodical.

Adaptation of a musical work means, any arrangement or transcription and any use of such work involving its rearrangement or alteration.

Communication of the work to the public:

This expression means making any work available for being seen or heard or otherwise enjoyed by the public directly or by means of display or diffusion other than by issuing copies of such work regardless of whether any member of the public actually sees, hears or otherwise enjoy the work so made available.

The communication through satellite or cable or any other means of simultaneous communication to more than one household or place of residence including residential rooms of any hotel or hostel is considered as communication to the public.

In the case of a Computer Programme:

Rights available are:

to do any of the acts specified in clause (a), or
to sell or give on commercial rental or offer for sale or for commercial rental any copy of the
computer programme :

Provided that such commercial rental does not apply in respect of computer programmes
where the programme itself is not the essential object of the rental.

In case of Artistic work:

Rights available are:

to reproduce the work in any material form including depiction in three dimensions of a two
dimensional work or in two dimensions of a three dimensional work,

to sell or give on hire, or offer for sale or hire, any copy of the artistic work, regardless of whether
such copy has been sold or given on hire on earlier occasions,

to communicate the work to the public,

to issue copies of the work to the public not being copies already in circulation,

to include the work in any cinematograph film,

to make any adaptation of the work, or

to do in relation to an adaptation of the work any of the acts specified in relation to the work in sub-
clauses (i) to (iv);

Analysis

Adaptation:

Adaptation of an artistic work means the conversion of the work into a dramatic work by
way of performance in public or otherwise. This appears to be possible only when the artistic work
consists of a series of pictures depicting a story, or an episode as for example in a cartoon.

Reproduction in a material form:

What constitutes reproduction in a material form is discussed in the chapter on
Infringement.

Communication of the work to the public:

This expression has the same meaning as given under literary work, except that in the case
of artistic work which is visual in nature there is no question of hearing the work. Artistic work is
something to be seen and not heard.

Publication:

Publication of an artistic work means making the work available to the public by issue of
copies or by communicating the work to the public. But in the case of a work of architecture, this
does not include the issue of photographs and engravings of the work. Thus although publishing the
photograph of a painting or drawing without the consent of the owner of the copyright is an
infringement of the copyright, one can freely publish the photograph of a sculpture or a work of
architecture. Copyright in a plan does not extend to processes or methods of construction.

In the case of a cinematograph film:

Rights available are:

to make a copy of the film, including a photograph of any image forming part thereof,

to sell or give on hire, or offer for sale or hire, any copy of the film, regardless of whether such copy
has been sold or given on hire on earlier occasions,

to communicate the film to the public;

Analysis:

Exhibition of the film in private is not an infringement of the copyright in the film. If a person
has lawfully purchased a copy of the film or its video version, he will require the licence or consent
of the owner of the copyright for resale or hire of the copy to the public.

Communication of the work to the public has the same meaning as in the case of literary, or
dramatic work. For the distinction between public and private see.

It has been held that when a person purchases the negative rights of a film he is entitled to the copyright in the film. Taping the film in a cassette tape would appear to be to copy the film since a film includes a video film.

In case of a sound recording:

Rights available are:

to make any other sound recording embodying it,

to sell or give on hire, or offer for sale or hire, any copy of the sound recording regardless of whether such copy has been sold or given on hire on earlier occasions, or

to communicate the sound recording to the public.

Explanation - For the purposes of this section, a copy which has been sold once shall be deemed to be a copy already in circulation.

Analysis:

Communication of the sound recording to the public has the same meaning as for literary, dramatic or musical works except that communication for the purpose of viewing does not apply to a sound recording having regard to its nature.

Communication to a private audience is not an exclusive right conferred by copyright in a sound recording. Playing a sound recording for private use is not prohibited.

Publication as such is not a right associated with sound recording. Since there is no copyright as such in a live performance which is not a category of work under the Copyright Act the recording of sporting events or musical performance is not an infringement of copyright.

Author and Ownership of Copyright

The concepts of 'author' and 'ownership' are vital when the question of propriety over the copyright arises. The Act of Copyright does not recognize any copyright in an idea. The originator of an idea is not the owner of the copyright, copyright belongs to the person, who gives concrete form to the idea,

Example: If a person has a brilliant idea for a story, play or picture and if he communicates that idea to an author or play writer, who in turn gives the tangible shape to that idea in the form of a book or picture, 'author' will be entitled to claim copyright and not the person who supplied the idea.

Case: *Donoghue v. Allied Newspapers* (1937) 3 All ER 503

Court expressed that: "Since there is no copyright in ideas even if they are original, the originator of a brilliant idea is not the owner of the copyright in the work, unless he is also the creator of the work".

Determination of Ownership:

The claim of first ownership is based on the authorship. According to provisions of section 17 the author of the work is the first owner of the copyright.

Who is Author?

Section 2(d): defines 'author' in relation to various categories of works as follows:

Literary or dramatic work, the author of the work.

Musical work, the composer in relation to a musical work means the person who composes the music regardless of whether he records it in any form of graphical notation (Sec 2(ffa)).

An artistic work other than a photograph, the artist.

Photograph, the person who takes the photograph.

Cinematograph film, the producer.

Sound recording, the producer.

Literary, dramatic, musical or artistic work which is computer generated, the person who causes the work to be created.

The author of a newspaper report is the person who writes it and not the person supplying the news. A journalist who writes a news story on the life story of another on the basis of such a narration made to him is the author of the story so published.

Nationality requirement for ownership of copyright

The nationality of an author is not the prime determinant of the entitlement of the author to a copyright under the Indian Act. However, the subsistence of copyright has certain requirements under section 13(2).

Published work: The work must be first published in India or when published outside India, the author must be a citizen of India at the date of publication (if alive at that date) or if dead at the time of his death.

Unpublished work (other than architectural work): The author at the time of making the work must be a citizen of India or domiciled in India.

But where the making of an unpublished work is extended over a considerable period, the author of the work will be deemed to be a citizen of, or domiciled in, that country of which he was a citizen or wherein he was domiciled for any substantial part of that period. (Sec. 7)

Architectural work: The work must be located in India only then can it be a subject of copyright protection.

Ownership of Copyright:

Sec. 17 recognizes the author of the work to be the first owner of the copyright therein. This is however, subject to some exceptions.

Literary, dramatic or artistic work

Literary, dramatic or artistic work:

Sec. 17 (a) provides -

Where a work is made by the author in the course of his employment by the proprietor of a newspaper, magazine or a periodical under a contract of service or apprenticeship for the purpose of publication in a newspaper, magazine or periodical - the said proprietor will be the first owner of the copyright in the work in absence of any agreement to the contrary. Except in such cases, otherwise the author will be the first owner of the copyright in the work.

The general principle is that if a person is employed to do a work and paid for the work, the product of his labour, subject to any agreement to the contrary, belongs to the employer. However, any work done by employee or agent outside his employment or contract belongs to him.

Case: V.T. Thomas v. Malaysia Manorama Co. Ltd. (AIR 1989 Ker 49)

Court held that cartoons named "Bafaan and Molly" created long prior to employment under the respondent belonged to cartoonist V.T. Thomas and he alone is the owner of the work.

It was held that in case of termination of the employment, the employee is entitled to the ownership of copyright in the works created subsequently and the former employer has no copyright over the subsequent works so created.

Photograph, Painting, Portrait:

Sec. 17 (b) provides -

Where a photograph is taken or a painting or a portrait drawn, or an engraving or a cinematograph film made, for valuable consideration at the instance of any person, such person, in the absence of any agreement to the contrary, shall, be the first owner of the copyright therein.

Work made in the course of employment

Sec. 17 (c) provides -

Where a work is made in the course of the author's employment under a contract of service or apprenticeship, the employer (not being the proprietor of a newspaper, magazine or periodical) in absence of a contract to the contrary, the employer will be the first owner of the copyright in the work so created.

Lectures delivered in public

Sec. 17(cc) provides -

Where any person has delivered any address or speech in public that person will be first owner of the copyright. If the address or speech is delivered on behalf of any other person, such other person will be the owner of the copyright therein.

Government work:

Sec. 17(d) provides -

In the case of Government work, the Government is the owner of the copyright in the absence of an agreement to the contrary.

Work made on behalf of a Public Undertaking:

Sec. 17(dd) provides -

In case of a work made or first published by or under the direction or control of any public undertaking, such public undertaking shall, in the absence of any agreement to the contrary, be the first owner of the copyright therein.

Public sector undertaking means:

An undertaking owned and controlled by Government;

A Government company as defined in the Companies Act, 1956; or

A body corporate established by or under any Central or Provincial or State Act, Government will include both Central and State Governments.

Work of certain International Organisation:

Sec. 17 (e) provides -

When a work is considered to be a work of certain international organisations under the provisions of Sec. 41, in such cases the international organisation concerned shall be the first owner of the copyright therein.

Ownership of copyright in a commissioned work or work created at the instance of another:

Work created at the instance of another for a valuable consideration belongs to the provider of such valuable consideration. Examples of such commissioned works are: person writing a report on a subject as a part of a research project being conducted by a company, a composer composing a song for a film company, a painter drawing a portrait at the instance of another person.

Apprenticeship:

An apprentice is a student.

Case: Dunk v. George Waller

(1970) 2 WLR 241

It was held that an apprentice is a student bound to another for the purpose of learning his trade or calling, the contract being of such a nature that the master teaches and the other serves the master with the intention of learning. Hence, the work belongs to the teacher.

Shorthand writer:

If the shorthand writer takes down the matter dictated verbatim by a person, the person who dictated the matter is the author and copyright owner of the work.

Employee teacher:

If an employee teaching in a school, college or university writes a book on the subject he teaches or on anything else, he is the author and the owner of the copyright because he is employed to teach and not to write text books.

Question papers of an examination:

Ownership copyright in examination question papers vests in the paper setter where no contract to the contrary exists. The paper setter in such a case is the author and owner and not the Board of Examination or the authority for whom the question papers are set.

Collective works:

Collective works include encyclopaedia, dictionary, year book, newspaper, magazine or generally a work in which works or parts by different authors are incorporated. The first owner of the copyright in the collective work as a whole is a person who has collected, edited and organised the work.

No Copyright in Word:

Case: Exxon Corporation v. Exxon Insurance Consultants

The Courts of Appeal declined to recognise plaintiffs' copyright in the word 'Exxon' which the court felt was simply an artificial combination of four letters of alphabet which serves a purpose only when it is used in just a position with other English words to identify one or other of the companies in the plaintiff group.

Copyright in grid and sequence of letters:

Case: In Express Newspaper v. Liverpool Daily Post

Where the plaintiff's grids and five letter sequences published in his paper for the competition "Millionaire of the month" and which was copied by the defendants in their own paper, the court held it to be an infringement since the grid and five letter sequence in its opinion, contained useful information for those concerned, and thus were the copyright of the plaintiff.

Plan:

The plan of a building or a structure is the copyright of the architect. His ownership of copyright can be eliminated only by an agreement to the contrary. The client is not authorised to make copies of the plan except for his own study. He cannot use the pre-existing plan even for making an extension of the building constructed on the basis of the previous plan.

Photograph:

Within the meaning of section 2(s) photograph includes photolithograph or any work produced by any process analogous to photography but does not include a cinematograph film. The person taking the photograph is the owner of copyright.

Where the photograph is taken for a valuable consideration at the instance of any person, such a person in the absence of any agreement to the contrary, is the first owner of copyright therein.

Where the photographer takes a photograph in the course of employment by a proprietor of a newspaper or magazine under a contract of service or apprenticeship for the purpose of publication in the newspaper or magazine; the said proprietor is the first owner of copyright in the photograph in so far as the copyright relates to the publication of the work in any newspaper or magazine. In all other respects, the author will be the first owner of the copyright in the photograph.

Musical work

The first owner of a copyright in a musical work is the composer of the work. If the work is composed in the course of employment under a contract of service, the employer will be the first owner of copyright. The person who commissions a musical work is not owner.

Example - A film producer who commissions a music composer to compose the music for his film does not become the owner of the copyright but only gets a licence to use the work for the purpose for which it is commissioned. The producer only gets the right to incorporate the music in his film. All other rights are retained by the music composer.

Artistic work:

The artist who created the work is the first owner of copyright.

Where the work is created in the course of employment unless a contract to the contrary exists, the employer will be the owner of the copyright.

Where the employer is the owner of a newspaper, magazine, he possesses only a limited right to use the work for publication in the newspaper or magazine.

When the creation of artistic work is a commissioned work for valuable consideration, the person who commissioned the work is the owner of the copyright.

Other Rights:

Negative right:

Copyright is a negative right in the sense that it stops others from exploiting the work of the author for their own benefit without the consent or licence of the author. It does not confer any positive right on the author himself.

Multiple rights:

Copyright is not a single right but a bundle of rights which can exist and be exploited independently. The nature of these multiple rights depends upon the categories of works, namely:

- (1) literary, dramatic and musical works;
- (2) original artistic works;
- (3) cinematograph films; and
- (4) sound recording.

The literary, dramatic and musical works are grouped together for the purpose of defining these exclusive rights. The rights relating to artistic works are distinct from those of cinematograph films and sound recording.

Economic rights:

The rights conferred by section 14 on a copyright owner are economic rights because the exploitation of the work "by the author by exercising these rights may bring economic benefit. The author may exploit the work himself or license others to exploit any one or more of the rights for a consideration which may be in the form of royalty, a lump-sum payment.

Moral rights:

The copyright besides conferring economic benefits also confers moral rights on the author. Section 57 of the Copyright Act, 1957, deals with author's special rights. The term 'moral right' derives from the French expression 'droit moral' and is a misnomer in the sense that moral rights are neither the opposite of immoral rights nor of legal rights. These moral rights are—

1. droit au respect de l'oeuvre. (Integrity right): This right may be regarded as the most important of the moral rights. It gives the author the right to prevent alteration, destruction and other actions that may damage the author's reputation.
2. droit de divulgation (Divulgation right): It means right of author to publish a work, or to withhold it from dissemination. It give the author the right to decide whether to publish or not to publish the work.

3. droit a. la paternite (Attribution right): It gives the author the right to claim authorship of a published or exhibited work.
4. droit de retrait (Retraction right): It gives the author the right to withdraw a published work from distribution if it no longer represents the views of the author.

Distinction Between Contract of service and Contract for service:

The author may create work independently or he may create a work under a contract of service or contract for service.

Contract of service

Where a man employs another to do work for him under his control so that he can direct the time when the work shall be done, the means to be adopted to bring about the end, and the method in which the work shall be arrived at, then the contract is a contract of service.

Case: Beloff v. Pressdram

(1973 RFC 765)

It was decided that the true test is whether on one hand the employee is employed as part of the business and his work is an integral part of the business or whether his work is not integrated into the business but is only accessory to it or the work is done by him in business on his own account. In the former case, it is contract of service and in the later case, it is a contract for service. In the case of contract of service, the status of the author is that of an employee. For example, whenever an employee of a solicitor's firm drafts a document in the course of his employment, the employer is the first owner of copyright.

Contract for service

If a person employs another to do a certain work but leaves it to the other to decide how that work shall be done, what steps shall be taken to produce that desired effect, then it is a contract for service. His status is that of an independent contractor who himself decides about the manner of doing work, in such cases the copyright vests in him and not the employer. For example, an architect who is hired by the company to construct a plan for their new building. In such a case the copyright vests in the architect himself.

Case: University of London Press v. Tutorial Press

(1916) 2 Ch 601

It was declared that the services of an independent contractor are hired for creating or doing a work on a given subject. It was held the examiner who prepares question papers for a University or college was free to prepare his questions at his convenience so long as they were ready by the time appointed for the examination, and it was left to his skill and judgement to decide what questions should be asked, having regard to the syllabus, the book work and the standard of knowledge to be expected at the matriculation examination and in view of this aspect of the matter, the examiner was not acting under the "contract for service". Hence he was an independent contractor owning a copyright over the question paper.

QUANTUM OF EXTRACTS OR "FAIR DEALING"

The production of whole work or a substantial portion of it as such will not normally be permitted and only extracts or quotations from the work will alone be permitted even as "fair dealing". In the circumstances, the quantum of extracts or quotations permissible will depend upon the circumstances of each case. It may not be proper to lay down any hard and fast rules to cover all cases where the infringement of copyright is alleged on the basis of extracts or quotations from the copyrighted work. In a case like the one on hand, Court will have to take into consideration the followings :

(1) the quantum and value of the matter taken in relation to the comments or criticism,
(2) the purpose for which it is taken, and
(3) the likelihood of competition between the two works. It is only when the Court has determined that a substantial part has been taken, that any question of fair dealing arises. Though once this question arises, the degree of substantiality, that is to say, the quantity and the value of the matter taken, is an important factor in considering whether or not there has been a "fair dealing". Further, it is thought that even under the personal law, in considering whether a dealing with a particular work was fair, it would have to be considered whether any competition was likely to exist between the two works. But each case will depend on its facts, and what may be fair in one case will not necessarily be fair in another case. The criticism or review may relate not only to literary style but also to the doctrine or philosophy of the author as expounded in his book. A fair criticism of the ideas and events described in the books or documents would constitute "fair dealing". Moreover, the term "fair dealing" has not been defined as such in the Act. But section 52(l)(a) and (b) specifically refers to "fair dealing" of the work and not to reproduction of the work. Accordingly, it may be reasonable to hold that the reproduction of the whole work or a substantial portion of it as such will not normally be permitted and only extracts or quotations from the work will alone be permitted even as "fair dealing".

PIRACY AND COPYRIGHT LAW

Piracy has become a global problem due to the rapid advances in technology. It has assumed alarming proportions all over the world and all the countries are trying to meet the challenge by taking stringent legislative and enforcement measures.

There are mainly three types of piracy, namely, piracy of the printed word, piracy of sound recordings and piracy of cinematograph films. The object of the pirate in all such cases is to make quick money and avoid payment of legitimate taxes and royalties. In respect of books, it is estimated that six hundred to seven hundred titles are pirated every year in India and on each of the pirated titles, the loss of Government is in form of tax evasion.

Apart from books, the recorded music and video cassettes of films and T.V. programmes are reproduced, distributed and sold on a massive scale in many parts of the world without any remuneration to the authors, artists, publishers and producers concerned.

Term of Copyright

The term of copyright is fixed keeping in view the interest of the author and that of the general public. The interest of the author is in protecting his work as long as possible whereas the interest of the public is in making the work a public property as soon as possible. The protection of the interest of the author assumes primary importance in view of the fact that the assurance that their work will bear their name, and be protected by law serves as a stimulant to creative minds to produce literary works.

The interest of the public is served by recognising the 'principle of fair dealing' where the use of the copyright work by a person other than the author himself does not constitute infringement of the copyright. The term of copyright varies according to the nature of the work,

Term of copyright for different categories of works (Sections 22 to 29)

Different terms have been fixed for different categories of work. Their detailed description is as follows :

For published literary, dramatic, musical and artistic work (other than a photograph) (Section 22):

The term is 60 years from the beginning of the calendar year next following the year in which author dies. In other words the copyright shall exist till the life time of the author plus 60 years after his death. Before amendment of the Act in 1992, the term was 50 years, which has been increased to 60 years in 1992.

In case of joint authorship the reference to the life time of author is to be construed with reference to that author who dies last.

Anonymous and pseudonymous works (Section 23):

An anonymous work is that work in which author's identity is not disclosed, whereas in pseudonymous work the real identity of author is concealed and a fictitious name of author is exhibited. In both these categories of work the copyright shall subsist for 60 years from, date of publication. However, if before expiry of 60 years, the real identity of author is disclosed, the term shall extend to life time of author plus 60 years.

Posthumous work (Section 24):

When the work is published after death of the author, it is called as posthumous work. The term of copyright shall be 60 years from the date of publication after death. However, in case of joint authorship, the 60 years will be computed after the death of last of joint authors.

Photographs (Section 25):

Photograph has been defined under Section 2(3) as including a photolithograph and any work produced by a process analogous to photography but does not include any part of cinematograph film.

Photographs; under Amendment Act, 2012 are treated as artistic work and instead of enjoying a sixty year post-publication term, the copyright in photographs now effectively subsist till sixty years after the death of the photographer.

Cinematograph films (Section 26):

Cinematograph film¹ has been construed as including video films, T.V. Serials, cinema, and documentary. The term of copyright has been limited to 60 years from the publication of film. It may be mentioned that the term as initially fixed was 25 years which was raised to 50 years in the Amendment Act, 1992 and it was further raised to 60 years.

Sound recording (Section 27):

The term is fixed as 60 years from the publication of sound recording. The term was raised to sixty years in the Amendment Act, 1994.

Government works (Section 28):

The copyright in respect of government works subsists until 60 years from its publication.

Works of public undertakings (Section 28-A):

The term of copyright will also be 60 years from publication of the work.

Works of International Organization (Section 29):

The works of international organization have been explained in Section 41. The copyright shall subsist until 60 years from the publication of the work.

It may be mentioned here the term of copyright in various categories of work discussed hereinabove was 50 years prior to 1992. By Amendment Act of 1992 the term was raised to 60 years. The 60 years will be reckoned from the beginning of the calendar year next following the year in which the work is first published.

Assignment & license

One of the important characteristics of ownership right, is the right to transfer it to others whether be it tangible or intangible i.e. IPR. Copyright is a bundle of rights comprising multiple rights

which the owner of copyright may either exploit himself or he can transfer it - either in full or in part to others through different ways viz., assignment or license permanently or for limited term.

Assignment is transfer of ownership in rights to assignee, whereas a license is a permission to do something in respect of work.

Following are the various modes of transfer such as -

Transfer by assignment,

Transfer by will,

Transfer by operation of law, and

Grant of license including compulsory license.

Part A: Assignment of copyright:

Sec. 18, 19 and 19-A deal with assignment of copyright. The owner of copyright of work has right to assign copyright to any person. The person who assigns the copyright is called assignor and the person to whom rights are assigned is called assignee.

Assignment of copyright can be with or without limitations. It can be for full term or limited period. It can be on a territorial basis also.

The effect of assignment is that the assignee becomes entitled to the rights related to copyright of the assigned work. However, mere grant of right to publish and sell the work reserving copyright with the owner does not amount to assignment of copyright.

Mode of Assignment:

In Section 19, mode of assignment has been explained as under:

Assignment is valid only when it is in writing signed by the assignor or by his duly authorized agent. The assignment instrument shall identify the work and specify the rights assigned and the duration and territorial extent of such assignment.

The instrument of assignment of copyright shall also specify the amount of royalty payable, if any, to the author or his legal heirs during the subsistence of the assignment and the assignment shall be subject to revision, extension or termination on terms mutually agreed upon by the parties.

If the assignee does not exercise the rights assigned to him within one year from the date of assignment, the assignment in respect of such rights shall be deemed to have lapsed after the expiry of the said period unless otherwise specified in the assignment instrument.

When the period of assignment is not stated, the period shall be deemed to be five years from the date of assignment.

If the territorial extent of any assignment of the rights is not specified it shall be presumed to extend within whole of India.

When the assignment has been made before the coming into force of the Copyright (Amendment) Act, 1994, the above provisions shall not be applicable. However, even such an assignment has to be through a written instrument.

Form of Assignment & Oral Assignment:

On careful analysis of above provisions it becomes clear that the assignment must be in writing only. Oral assignment is not valid. However, there is no specific prescribed form but the deed of assignment should contain the following:

identity of work

the right assigned

the duration and territorial extent

the amount of royalty payable.

Case: Srimangal & Co. v. Books (India) Pvt. Ltd.

(AIR 1973 Mad 49.)

The Madras High Court held that no particular form of assignment under Section 19 is required and it will suffice if the assignment can be culled (carried) out in writing from some document.

Assignment in Future Work (Section 18(i))

The assignment of copyright may be of existing as well as of future work, but in such case the assignment will become effective only when the work comes into existence. All disputes relating to assignment of any copyright will be decided by Copyright Board.

Part B: Transmission of Copyright by operation of law: (Section 20)

Copyright is a movable property. It can be transferred by various ways. But when the owner of copyright dies, the copyright (published or unpublished) will pass on to his personal representative as part of the estate, provided that there is no will executed.

Sec. 20: provides that - If a manuscript of literary, dramatic or musical work or an artistic work has been bequeathed to a beneficiary without specifically bequeathing copyright, the bequest will carry with it the copyright to the work also. In case the owner of a beneficiary without specifically bequeathing copyright becomes bankrupt, the copyright will vest in the official receiver and will pass to the trustee of the bankrupt's estate as assets for distribution among the creditors.

Relinquishment of Copyright: (Sec. 21)

According to Section 21, the author of work may relinquish all or any of the rights comprised in the work by giving notice to the Registrar of Copyright. The Registrar shall cause it to be published in the official Gazette. However, the relinquishment of right shall not affect right subsisting in favour of any person on the date of notice.

Part C: Licensing of Copyright: (Sec. 30 to 32-B)

A license is a permission to do something in respect of work. The owner of a copyright may grant a license to do any of the act in respect of which he has an exclusive right to do. In license the ownership remains with the owner, it does not pass on. In license the rights granted are limited. The license can be classified into two categories -

Voluntary license,
Compulsory license.

Voluntary License: (Sec. 30)

Sec. 30 - The owner of copyright in any existing or the prospective owner of the copyright in any future work to grant any interest in the right by license in writing signed by him or his duly authorized agent.

The license in respect of future work - will take effect only when the work comes into existence. But in case if the licensee dies before the work comes into existence, his legal representatives shall be entitled to the benefit of the license.

Section 30A - makes it clear that provision of Sections 19 and 19-A will apply in relation to mode of granting license.

Compulsory License of an Indian Work: (Section 31)

The Copyright Board is empowered to grant compulsory license under certain circumstances - on suitable terms and conditions in respect of an Indian work and on payment to the owner. But it can be done only when there is complaint against the owner as to non use of copyright work. The Copyright Board can do so only after hearing the owner and doing inquiry on the complaint.

If there are two complainant the board will decide as to who shall serve the public interest best.

The compulsory licenses may be grant under following circumstances, they are:
the work must have been published or performed in public and the author must have refused to republish or allow republication of the work in public,
because of such refusal the work is withheld from public, or

the author must have refused to allow communication to the public of such work by broadcast, or in the case of a sound recording the work recorded in such record, on reasonable terms.

Compulsory License in respect of unpublished Indian work (Sec. 31-A)

In the case of an unpublished work, the author of which at the time of making the work was a citizen of India, whether the author is dead, unknown or cannot be traced, or the owner of the copyright cannot be found, any person may apply to the Copyright Board for a license to publish such work or a translation thereof in any language.

Before making the application the applicant should publish his proposal in one issue of a daily newspaper in that language. The application to the Copyright Board should be in the prescribed form and accompanied by the prescribed fee and with a copy of the advertisement issued.

The Copyright Board after making certain prescribed enquiries direct the Registrar of Copyrights to grant a license to the applicant to publish the works or its translation subject to payment of royalty and other conditions determined by the Board.

License to produce and publish translation of literary or dramatic work in any language (Sec. 32) Sec. 32:

A license to publish a translation of the work in any language may be obtained from the Copyright Board by an applicant in certain circumstances and under certain terms and conditions, after a period of seven years from the first publication of the work.

But the above period of 7 years may be relaxed if and grant license after 3years if translation is required for purpose of teaching, scholarship or research.

Applicant for such right shall make application in prescribed form along with prescribed fees.

It shall state the proposed price at which translated copy will be sold.

After holding enquiry the Board shall grant the license subject to royalty and terms and conditions.

License to reproduce and publish work at a reasonable price (Section 32-A)

The Copyright (Amendment) Act, 1983 has introduced new provisions for issuing compulsory license for reproduction of an edition of a literary, scientific or artistic work, (whether or not the work is Indian)

where copies are not made available in India or

have not been put on sale in India for a period of six months,

after the expiration of certain prescribed periods from the date of the first publication.

The periods prescribed are -

seven years for works relating to fiction, poetry, drama, music or art;

three years for works relating to natural science, physical science, mathematics or technology; and

five years for any other work.

License to broadcasting authorities:

In the case of non-Indian work any broadcasting authority may apply to the Copyright Board for a license to produce and publish the translation of

(a) a work published in printed or analogous forms of reproduction; or

(b) any text incorporated in audio-visual fixation prepared and published solely for the purpose of systematic instructional activities for broadcasting such translation for teaching purposes or for the dissemination of the results of specialized, technical or scientific research to the experts in any particular field.

The procedure to be followed is the same as that prescribed for Indian work with necessary modifications. A license will not be granted unless -

the translation is made from a work lawfully acquired;

the broadcasting is made through the medium of sound and visual recording;

such recording is made lawfully and exclusively made for the purpose of broadcasting in India by the applicant or any other broadcasting agency; and the translation and the broadcasting of such translation are not used for any commercial purposes.

Termination of license granted: (Sec. 32-A)

The license granted for reproduction and translation may be terminated by Copyright Board if subsequent to grant of license the owner himself has republished the work or has made translation of the work at a reasonable price.

However, the termination will not take effect until after the expiry of three months from the date of service of notice. The license-holder will be permitted to sell or distribute copies of translation produced before the termination of license takes effect until they are exhausted.

Royalty:

It means the remuneration paid to an author in respect of the exploitation of a work usually referring to payment on a continuing basis and is usually 10% of the sale price rather than paying lumpsum.

Infringement of Copyright

The copyright confers exclusive right on the owner to exploit his work for commercial gains in different ways. The copyright confers various rights only for the benefit of the owner and if any person, without proper authorization of the owner, exploits his work (i.e. he does an act which owner was authorized) with intention to reap monetary gain, he is said to have committed infringement of the copyright of the owner.

The Copyright Act clearly defines the acts which amount to infringement and also permits use of copyright work in certain manner without committing infringement.

What is infringement (Sec. 51)

Infringement prima facie means unauthorized and illegal reproduction of work of others. Section 51 of the Act defines infringement of copyright in general sense and not specifically with respect to each kind of creative work.

Sec. 51 - The copyright in a work shall be deemed to be infringed -

when any person -

without a license from the owner of the copyright or the Registrar of Copyright, does anything which is the exclusive right of the owner or

does anything in contravention of the conditions of a licence granted or any conditions imposed by a competent authority under the Act or

permits for profit, any place to be used for the communication of the infringed work to the public, unless he was not aware and had no reasonable grounds for believing that such communication to the public would be an infringement of copyright; or

when a person -

makes for sale or hire, or sells or lets for hire or by way of trade displays or offers for sale or hire -

any infringing copies of the work, or

distributes any infringing copies of the work, either for the purpose of trade or to such an extent as to affect prejudicially the owner of the copyright, or

exhibits to public by way of trade any infringing copies of the work, or

imports into India any infringing copies of the work except one copy of any work, for the private and domestic use of the importer.

Explanation: It is clarified that the reproduction of a literary, dramatic, musical or artistic work in the form of a cinematographic film shall be deemed to be an infringing copy.

Illustration

A producer, without authorization from the writer of a novel, makes film based on the story of novel. The said film is deemed as an “infringed copy” of the novel.

Infringement in Literary, Dramatic and Musical Works

Sec. 51 along with Sec. 14(a) brings out that the following acts, for which a person will be guilty of infringement of copyright in the work; They are -

To reproduce the work in any material form including the storing of it in any medium by electronic means.

To issue copies of the work to the public not being copies already in circulation.

To perform the work in public or communicate it to the public.

To make any cinematograph film or sound recording in respect of the work.

To make any translation of the work.

To make any adaptation of the work.

To do in relation to a translation or adaptation of the work any of the acts specified in relation to the work in sub-clauses (1) to (6).

To permit for profit any place to be used for the communication of the work to the public where such communication constitutes an infringement of the copyright in the work unless he was not aware and had no reasonable ground for believing that such communication to the public would be an infringement of the copyright,

To make infringing copies of the work for sale or for hire or sells or lets for hire or display or offers for sale or hire infringing copies.

To distribute infringing copies either for the purpose of trade or to such an extent as to effect prejudicially the owner of the copyright.

To exhibit infringing copies by way of trade to the public.

To import into India infringing copies by way of trade to the public.

In respect of a computer programme which is a form of literary work:

to do any of the acts specified above; and

to sell or give on hire, or offer for sale or hire any copy of the computer programme, regardless of whether such copy has been sold or given on hire on earlier occasions.

Infringing Copy [Section 2(m)]

The term “infringing copy” under Section 2(m) of the Act means -

in relation to literary, dramatic, musical or artistic works, a reproduction thereof otherwise than in the form of a cinematograph film;

in relation to a cinematograph film, a copy of the film or a record embodying the recording of any part of the sound track associated with the film;

in relation to a record, any such record embodying the same recording; and

in relation to a programme in which a broadcast reproduction right subsists under Section 37, a record recording the programme.

Supreme Court Guidelines for determining Infringement:

In what circumstances and instances, the infringement of copyright can be gathered have been very aptly laid down by Supreme Court in a classic case of -

Case: R.G. Anand v. Delux Films (AIR 1978 SC 1613)

In this case R.G. Anand had written a drama named “Hum Hindustani”, the main theme of the drama was patriotism and it was praised by different editors. Delux Film made a film “New Delhi” on the basis of drama written by R.G. Anand without his permission. He filed a suit for infringement of copyright under Section 51 of the Copyright Act.

The Supreme Court laid down lists or guidelines to determine infringement and liabilities arising out of it, which are as follows:

There can be no copyright of ideas, subject-matter themes, plots or historical or legendary facts. Where the same idea is being developed in a different manner, it is manifest that the source being common, similarities are bound to occur. In such cases, the court should determine that whether the similarities are fundamental or substantial aspects of the mode of expression adopted in the copyrighted work. If the defendant's work is literal imitation of copyrighted work, then it amounts to piracy.

One of the surest test to determine, whether there has been violation of copyright, if the readers, spectator or viewer after having read, is clearly of the opinion, and gets an unmistakable expression that the subsequent work appears to be a copy of the original.

If the theme remains same, but presented and treated differently, that does not amount to copyright.

If there is material and broad similarities of the work, which somehow appears similar, it does not amount to copyright.

Copyright must be proved with clear and cogent evidence.

In case of films, if the viewer is of the opinion that large part of the film is the copy of original, it amounts to copyright infringement.

Essential Principles of Infringement:

The general principle is that no infringement of the plaintiff's rights takes place where a defendant has bestowed such mental labour upon what he has borrowed and has subjected it to such revision and alteration as to produce an original result. The defendant is not at a liberty to take away the result of another man's labour or the benefits arising out of the product of such labour.

The relevant factors which need to be addressed in determining the infringement are:

Direct copying;

Substantial copying;

Indirect copying;

Conscious, Unconscious and Sub-conscious copying.

Direct copying:

Reproduction of the plaintiff's work by defendant falls under direct copying. Even, if defendant copies the plaintiff's work with some minor additions or alterations, it will amount to infringement. If there is copying of all work without any changes then there is clear evidence of Copying. But difficulty arises when the entire work is not copied. Then the issue is whether there was substantial copying or not.

Substantial copying:

There must be substantial copying of the work. In deciding whether there has been substantial copying, following factors have to be taken into consideration. They are;

The volume of the material borrowed by the defendant. Volume here does not mean only the quantity but also the quality (a short passage may be of vital significance in a work), which is borrowed by the defendant.

Whether the substantial copying on the part of the defendant has been intended for the purpose of saving himself of the labour?

The extent to which the plaintiff's and defendant's work are competing with each other.

The manner in which defendant has taken advantage of plaintiffs' work and the extent of interference with plaintiff's exploitation by defendant's acts.

nature and extent of plaintiffs' effort.

Case: D. Narayan Rao v. V. Prasad

((1979) 2 APLJ 231)

The defendant had borrowed a part of the speech which was only of two-and-a-half-minutes duration in a three hour film. Yet it was held that substantial part of the speech had been copied.

Direct evidence of copying

In copyright infringement cases, the direct evidence of copying is generally difficult to furnish. Evidence of copying has to be deduced from surrounding circumstances. Evidence of copying, for instance, can be found when the defendant's work contains the same errors, mistakes as those present in the plaintiff's work. Similarity in the language and writing style also provides evidence of copying.

Copying the copyrighted work even with minor additions, omissions or alterations would still amount to infringement of the copyright because such minor additions, omissions or alterations in the copied work would not make it original work.

In cases where the similarities in the two works are due to coincidence and necessities inherent in the nature of the work (e.g., dictionaries, calendars, books on law containing similar provisions and case laws), the question of infringement by copying is irrelevant.

Case: Jarrold v. Houston

((1857) 3 K&J 708)

A third element was identified. It was held that whether there has been an *animus furandi*, i.e., intent to commit fraud on the part of the defendant for the purpose of saving labour, was an important consideration in arriving at the conclusion of occurrence of any infringement.

Indirect copying

There can be infringement by indirect copying also. A work may be copied by making a copy from a pre-existing copy of the same work.

Case: Manfstaengal v. Empire Palace

(1894) 3 Ch 109 (127)

It was held that not recognising indirect copying as infringement would open the door to indirect piracies. If a defendant makes a two dimensional copy of the plaintiffs three dimensional architectural plan, he is guilty of infringement by indirect copying.

A novel may be converted into a play without the consent of the author by a director. When such a play is again made into a ballet (dance/salsa) there would be infringement by indirect copying.

Conscious, unconscious and sub-conscious copying

Conscious copying is when the infringer is perceptually aware, i.e., he has self-knowledge that he is copying the work of another.

In case of Unconscious copying, the flow of idea and its expression from the mind of the author is spontaneous. He has no self-knowledge that the work created by him is similar to the work of another. In such a case, definite causal connection has to be established to prove infringement.

Sub-conscious copying is when the author having already been familiar with the work of the first original author creates a work which bears marked similarity to the original work though the person himself does not consciously aim to imitate the first author. It will amount to infringement.

Reprography:

Reproduction by the use of modern equipment like photocopying machines, is called reprography.

Sec. 2(x) of the Act provides: "Reprography means the making of copies of a work by photo-copying or similar means."

Duplicating machines are used for reproduction of literary work, documents and drawings. Tape recorders are used for reproducing music and video-grams are used for reproducing films.

Infringement of copyright by means of 'Reprography' is a worldwide phenomenon. Since such infringement is more often at domestic levels (in the homes of people), prevention of such infringement is rather difficult.

Statutory Exceptions - Acts which do not constitute Infringement:

The use of copyright other than the owner of copyright amounts to an infringement. However, Section 52 of the Copyright Act lists certain acts which though done by non-owner of copyright would not amount to infringement. The object of recognising these exceptions is to enable the reproduction of the work for certain public purposes for encouragement of private study and research and promotion of education.

These exceptions can be pleaded as defence by the defendant in an action for infringement of copyright.

Section 52: Following acts do not constitute infringement of copyright, they are -

A fair dealing with a literary, dramatic, musical or artistic work not being a computer programme - for the purposes of

private use including research,

criticism or review,

reporting current events in newspapers and magazines or by broadcasting or in a cinematograph film or by means of photographs.

Reproduction -

of judicial proceedings and reports thereof,

exclusively for the use of members of legislature,

in a certified copy supplied in accordance with law.

Reading or recitation in public of extracts of literary or dramatic work.

Publication for the use in educational institutions in certain circumstances.

Reproduction by teacher or pupil in the course of instructions or in question papers or answers.

Performance in the course of the activities of educational institutions in certain circumstances.

The making of sound recording in.r.of any literary, dramatic or musical work, if –

sound recordings of that work is made with the licence of the owner

the person making the sound recordings has given a notice of his intention to make the sound recordings, and has paid royalties at the rate fixed by the Copyright Board in this behalf;

Provided that -

no alterations shall be made without the consent of the owner of rights;

the sound recordings shall not be issued in any form of packaging which is likely to mislead or confuse the public as to their identity;

no such sound recording shall be made until two calendar years have been expired from the year in which the first sound recording of the work was made; and

the person making such sound recordings shall allow the owner of rights or his duly authorised agent or representative to inspect all records and books of account relating to such sound recording.

Making sound recording to be heard in public in an enclosed room or in clubs in certain circumstances.

Performance in an amateur club, to a non-paying audience or for religious institutions.

Reproduction in newspaper and magazine of an article on current economic, political, social or religious topics in certain circumstances.

Publication in newspapers or magazines a report of a lecture delivered in public.

Making maximum 3 copies for the use of a public library.

Reproduction of unpublished work kept in a museum or library for the purpose of study or research.

Reproduction or publication of any matter published in Official Gazette or reports of Government Commissions/Committees or other bodies appointed by Government.

Reproduction of any judgment or order of Court, tribunal or other Judicial Authority not prohibited from publication.

Production or publication of a translation of Acts of Legislature or Rules.

Making or publishing of a painting, drawing or photographs of a work of architecture.

Making or publishing of a painting, drawings, or photographs or engraving of sculpture or other artistic work permanently situate in a public place.

Inclusion in a cinematograph film of any artistic work permanently situated in a public place and other artistic work by way of background or incidental to the principal matter represented in the film.

(20) Reproduction for research or private study or with a view to publication of an unpublished literary, dramatic or musical works kept in a library, museum or other institution to which the public has access.

The provision of this clause shall apply only if such reproduction is made at a time more than 60 years from the date of the death of the author.

The exceptions to infringement listed under section 52(1) in relation to literary, dramatic, musical or artistic work will apply also in relation to any translation or adaptation of such work.

Remedies for Infringement of Copyright

No rights come without remedy as explained in maxim 'Ubi jus ibi remedium' - which means where there is a right, there is a remedy. Similar is the case with Copyright Act. The Copyright Act also provides for various remedies in case of infringement and also lays down effective system for protecting copyright.

There are three kinds of remedies available in case of infringement, they are -

Civil remedies,

Criminal remedies, and

Administrative remedies.

Case: Tata Oil Co. Ltd. v. Hansa Chemical

The Delhi High Court held that remedies available to holder of copyright are independent of each other entitling the aggrieved party to sue for any or all relief available to him under law.

Remedies:

Part A: Civil Remedies:

A plaintiff in case of civil suit for infringement of his copyright can ask for following civil remedies:

Anton Pillar Order (Search and Seizure Order):

It is a preventive measure. Generally law provides equal opportunities to both parties but in certain cases the court may, on application by the plaintiff, pass an ex parte order requiring the defendant to permit the plaintiff, accompanied by lawyer to enter the premises and make an inspection of relevant documents and articles, take copies thereof and remove them for safe custody, it is called as Anton Pillar Order.

It may be equated with ex parte interlocutory order to inspect premises of defendant and take inventory of the offending articles.

Court while passing Anton Pillar Order should ensure that -

Plaintiff has made full disclosure of all details and facts within knowledge and;

it is a case of urgency and delay might give chance to the defendant to destroy the offending material.

Such an Anton Pillar Order should be passed cautiously.

Injunction:

The plaintiff may also seek relief by way of restraining defendant from infringing his copyright through temporary, permanent or interlocutory injunction in a civil suit at various stages of trial.

Interlocutory Injunction

Interlocutory injunction secures the immediate protection of copyright from an existent infringement or from the continuance of infringement or an anticipated infringement. A plaintiff may pray for an interlocutory injunction pending trial or further orders.

For obtaining an interlocutory injunction the plaintiff has to establish -
a prima facie case;

balance of convenience in his favour; and

that refusal to grant interlocutory injunction would cause irreparable injury to the plaintiff.

The defendant, if injured as a result of such injunction, is entitled to compensation by virtue of an undertaking as to damages, which is made by the plaintiff. Such an undertaking on the part of plaintiff is a condition precedent for the grant of interlocutory injunction.

Damages on Account of Profits

The plaintiff is entitled to two types of damages viz.,

(a) one for infringement of his copyright; and

(b) the other for conversion of his copyrighted work into another form.

A plaintiff, if successful, is also entitled to account of profits as an alternative to damages.

Provisions relating to Enforcement of Civil Remedies:

Jurisdiction of Court: (Section 62)

Every suit or civil proceeding in respect of infringement of copyright in [-any work or the infringement of any other rights viz., special right to broadcasting organization or performance shall be instituted in the District Court having jurisdiction.

Place of suit:

The suit for infringement can be instituted at the place where cause of action (i.e. infringement has taken place) has arisen or where the plaintiff voluntarily resides or comes on business. This is a departure from the general principle as laid down in Section 20 of Civil Procedure Code, 1908, wherein the place of suit is determined on the basis of residence of defendant.

Period of limitation:

The civil suit can be filed within three years from the date of infringement.

Who can Sue:

Following persons can file suit for infringement of copyright :

Owner or in case of joint ownership any co-owner,

Assignee of copyright,

The legatee,

In case of anonymous or pseudonymous work - the publisher,

Licensee - provided the owner of copyright is made party, unless exempted from court.

Defences which may be raised by defendant:

The defendant against whom the infringement is alleged may raise all or any of the following defences to refute the allegation of infringement :

no copyright subsists in the work alleged to be infringed,

the plaintiff is not entitled to sue (not the owner of copyright),

the alleged copyright work is not original,

the alleged copyright is not entitled to protection being immoral, seditious or otherwise against public policy,

the defendants* work is independent and is not copied from the plaintiff's work,

the defendants' action does not constitute infringement of the plaintiff's work and is permitted under one or more of the exceptions to infringement,

the suit is barred by limitation,

the plaintiff is guilty of estoppel, laches and acquiescence or consent,

the infringement is innocent and the plaintiff is only entitled to the profits made by the defendants on the sale of the infringing copies.

Illustration:

X, a research scholar, quotes passage from book of Y in his dissertation with due acknowledgement. Y files suit for infringement. X can raise defence of fair dealing.

X, reproduces a chapter from book. The chapter itself has been copied by Y from book of Z. Y files suit against X for infringement. X can raise the defence that Y himself has infringed the chapter.

Part B. Criminal Remedies

The person found guilty of infringement can also be punished. The plaintiff can, in addition to civil suit, also file criminal proceedings against infringer. The infringement of copyright is not a civil wrong but also an offence. For easy and quick reference the offences and punishment provided under various provisions is presented in tabular form.

Offences and Punishment

s. No.	Nature of offence	Provision of the Act	Punishment
(i)	Knowingly infringing or abetting the infringement of the copyright in a work, or any other work conferred by this Act (except in case of resale share right in original copies under Section 53 A).	Sec. 63	Minimum 6 months' imprisonment, Maximum 3 years' imprisonment + fine not less than Rs. 50,000/- up to Rs. 2 lakhs.
(ii)	For Second and subsequent conviction.	Sec. 63-A	Imprisonment : Minimum 1 year, Maximum 3 years Fine : Minimum Rs. 1 Lakh, Maximum Rs. 2 Lakhs.
(iii)	Knowingly using of infringing copies of computer programs.	Sec. 63-B	Imprisonment : Minimum 7 days, Maximum 3 years Fine : Minimum Rs. 50,000/-, Maximum Rs. 2 Lakhs,
(iv)	Protection of Rights Management Information v	Sec. 65-B	Imprisonment up to 2 years and fine
(v)	Making false entries in Register of Copyright etc. for producing or tendering false entries.	Sec. 67	Imprisonment up to 1 year or fine or both
(vi)	Making false statements for deceiving or influencing any authority/officer.	Sec. 68	Ditto
(vii)	Publishing a sound recording or a video film in violation of Sec. 52-A (Video & Audio Piracy).	Sec. 68-A	Imprisonment up to 3 years and fine
(viii)	Possession of plates/other materials used for making infringing copies.	Sec. 65	Imprisonment up to 2 years and fine.
(ix)	Offences by Company	Sec. 69	Punishment accordingly

Jurisdiction of Court:

The criminal proceeding may be initiated in the court of the Presidency Magistrate or the Magistrate of the first class. The procedure envisaged in Code of Criminal Procedure, 1973 will be applicable. The trial court may also direct police officer not below the rank of sub-inspector to seize

without warrant, all infringing copies of the work and accessories used for production of infringing work.

Part C: Administrative Remedies -

The Registrar and Copyright Board have also been vested with some powers to check violation of copyright.

Other Remedies:

Ban on Importation of Infringing Copies (Section 53)

The Registrar may, on application of owner of copyright or his duly authorized agent, impose ban on importation of infringed copies of such work. Registrar will make necessary enquiry before passing an order. He may also pass order directing delivery of confiscated infringed copies to the owner of the work.³

A detailed description of remedies available under the Act makes it clear that they are adequate and effective. But still we find that in India the infringed copies of original work are in very wide circulation in the market. This may be partly due to lack of awareness about legal remedies and partly due to time consuming legal process. The time has now come to develop a strong legal environment for copyright protection and pro active approach in safeguarding the copyright of the owners.

Groundless Threat of Legal Proceedings (Section 60)

Sometimes, a mere notice from owner of copyright to the infringer warning him of alleged violation and threat to institute legal proceeding may help in checking infringement. But if any person claiming to be owner of copyright threatens any other person by circular, advertisement or otherwise, with any legal proceedings, in respect of alleged infringement, the aggrieved person may institute a declaratory suit under Section 60 to obtain an injunction against continuation of such threats and recover damages. But to succeed in the suit he will have to prove that the alleged threat is baseless and no infringement as alleged is being or has been committed.

However, once a suit has been filed for infringement by the person who has given the threat the remedy under Section 60 cannot be availed.

Module 2

The Patent Act, 1957

Patents Invention: Patentable & Non Patentable Inventions

Modern era is an era of science and technology. There is huge numbers of innovations. Business is based on innovations and no doubt is making human life easier and simpler. So the legal system should reward innovative enterprise by conferring monopoly rights for the commercial exploitation of an invention.

The patent law recognizes exclusive right of a patentee.

Meaning of Patent

The term 'patent' has its origin in the term 'Letters patent', which means 'To open' or 'Open letters'.

In legal parlance the patent is - a grant of monopoly right for some fixed term to the creator of new and useful invention in return of his disclosing the invention.

It refers to some privilege, property or authority given by Government to one or more individuals. The instrument by which such grant is made is known as Patent.

Thus a patent is a legal monopoly right granted to a person who has invented a

new and useful article or
an improvement of an existing article or
a new process of making an article.

It consists of an exclusive right to -manufacture the new article invented or
to the invented process for a limited period.

After the expiry of the duration of patent, anybody can make use of the invention.

Nature:

A patent is a form of industrial property or as it is now called intellectual property. The
owner of the patent can sell this property He can also grant licenses to others to exploit the patent.

A patent being a creation of statute is territorial in extent. A patent granted in one State
cannot be enforced in another State.

Object:

Patent is a legal reward which stimulates technology and industrial growth. The object of
patent law is to encourage scientific research, new technology and industrial progress. Grant of
exclusive privilege to own, use or sell the method or the product patented for a limited period,
stimulates new inventions of commercial utility.

The considerations which are said to constitute the quid pro quo for the grant of a patent
monopoly are:

invention within the country would result in the establishment of a new industry or an improvement
of an existing industry which would profitably employ the labour and capital of the country and thus
increase the national wealth, and

disclosure of the invention to the public after expiry of term of 20 years, so that the public are
enabled to work on the invention themselves and in competition with each other.

Law Regulating Patents:

The Indian Patents Act, 1970 and the Patent Rules, 2003 regulate the grant, the operative
period, the revocation and infringement, etc., of the patents. The Patents Act was amended in 2005
and the Patents Rules were amended in 2005 and 2006 for the purpose of contemporary adjustment
in Patent Laws.

Principles Underlying the Patent Law in India:

Principles upon which Indian Patent Law is based are -

Invention must be new, useful and non-obvious:

To be patentable, the invention must be new product or process; useful and capable of
industrial application. Another feature of an invention to be granted patent is that it should involve
technical advance as compared to the existing knowledge or have economic significance or both.

The invention must be non-obvious to a person possessed of average skill in the art. What is
obvious to a person skilled in the art cannot be patented. For instance - an invention in carpentry
may be non-obvious to a layman but it may be obvious to a carpenter of average skill. Such obvious
invention would not be patentable.

Case:

Garware-Wall Ropes Ltd. v. A.I. Chopra, Engineers & Contractors (2009) AIHC 3230

It has been held that the involvement of technical advance as compared to the existing
knowledge or having economic significance is an inventive step and consequently, even assuming
that new and useful improvement was made in the systems the same would be invention.

The expression 'capable of industrial application' is defined under section 2(1)(ac). It means
in relation to an invention - that the invention is capable of being made or used in an industry.

Therefore, for getting a patent, there must be an "invention" and that invention must be
patentable; that is—

it must be novel

it must involve an inventive step

it must be capable of industrial application

it must not fall within any of categories of subject-matter specifically excluded or made subject to exception.

Newness:

The element of novelty (newness) in an invention is dependent upon the state of prior art, i.e., the existing knowledge and similar inventions already known in the particular field. There would be no novelty if there has been prior publication and prior use of same or an identical invention. For instance - the recent grant of patent in the U.S.A. to turmeric products was attacked on this ground. The Indian Council of Scientific and Industrial Research (CSIR) challenged the grant of patent on turmeric by the U.S. Patent Office on the plea that the patent could not be granted since there was no novelty in the invention.

For the purpose of patent, the invention must be a new one. It means that the invention must involve any innovation or technology which has not been anticipated by publication in any document or used in the country or elsewhere in the world before the date of filing of patent application with complete specification.

That is to say, the subject-matter must not have fallen in public domain or that it does not form part of the state of the art.

Usefulness:

The invention besides being new and non-obvious, must also be useful. An invention which is new and also non-obvious but which cannot be put to any beneficial use of the mankind, cannot be patented.

However, not so useful inventions are protected in some countries as 'utility models'. But that concept is not statutorily recognized in India.

Non-obviousness:

The invention must be non-obvious to a person skilled in the art to which the invention relates.

Protectable Subject Matter - Patentable Invention

The protectable subject-matter of a patent is an invention.

Definition of Invention, Inventive step, New invention -

Section 2(1)(j) - An invention means a new product or process involving an inventive step and capable of industrial application.

Section 2(1)(ja) - An 'inventive step' as a feature of an invention that involves technical advance as compared to the existing knowledge or having economic significance or both and that makes the invention not obvious to a person skilled in the art.

Section 2(1) - 'New invention' means any invention or technology which has not been anticipated by publication in any document or used in the country or elsewhere in the world before the date of filing of patent application with complete specification i.e., the subject-matter has not fallen in public domain or that it does not form part of the state of the art.

Intangibles are not patentable

The question whether there is an invention is a question of fact in each case. What is protected is the result of an invention i.e. the resultant product. An improvement on something known is a subject-matter of a patent, provided it results in a new product or process or a more useful or a more economical product or process.

Patentable combination:

A patentable combination is the one in which the component, elements are so combined as to produce a new result or to arrive at an old result in a better or more expeditious or more economical manner.

If the result produced is either a new article or a better or a cheaper article than before, the combination will be entitled to a patent.

The mere combination of two or more elements without exercising any inventive faculty and without involving an inventive step cannot be a subject-matter of patent.

Improvement of a manner of manufacture means any useful modification of an already known manner of manufacture of an article or substance, whether such a previously existing manner of manufacture is patented or not.

Thus, to be patentable an invention has to be new product or process involving an inventive step and capable of industrial application. An invention also includes an inventive step.

An invention of the above kind must not be unpatentable within the Act. In other words, it should not be an invention prohibited from being patented under the Act.

Inventions which are not Patentable under the Act:

Sections 3 and 4 of the Indian Patents Act, 1970 lists the inventions which are not patentable.

Sec. 3 -

An invention which is frivolous or which is obviously contrary to the well established natural laws,
An invention, which could be contrary to public order or morality or which causes serious prejudice to human, animal or plant life or health, or to environment.

The mere discovery of a scientific principle or the formulation of an abstract theory or discovery of any living thing or non-living substance occurring in nature.

The mere discovery of a new form of a known substance which does not result in the enhancement of the known efficacy of that substance or the mere discovery of any new property or new use for a known substance or of the mere use of a known process, machine or apparatus unless such known process results in a new product or employs at least one new reactant.

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

The mere arrangement or re-arrangement or duplication of known devices each functioning independently of one another in a known way.

A method of agriculture or horticulture.

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

Plants and animals in whole or any part thereof other than microorganisms but including seeds, varieties and species and essentially biological process for production or propagation of plants and animals.

A mathematical or business method or a computer programme per se or algorithms.

Literary, dramatic, musical or artistic work or any other aesthetic creation including cinematographic works and television productions.

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

A presentation of information.

Topography of integrated circuits.

An invention which, in effect, is a traditional knowledge or which is an aggregation or duplication of known properties of traditionally known components.

Sec. 4: Inventions relating to atomic energy not patentable -

Sec. 4 provides that no patent shall be granted in respect of an invention relating to atomic energy under the Atomic Energy Act, 1962 (33 of 1962). The security measures in the field of atomic energy are reflected behind this provision.

Procedure for Obtaining Patent

Patent do not arise in the work immediately, when the work is created, as in the case of copyright. He has to get his invention approved in the form of Grant of Patent. There is no 'ipse dixit' claim of patent nor there suo-moto grant of patent by authorities. Act provides for detailed procedure for grant of patent.

Procedure for Obtaining Patent

Procedure for obtaining a patent consists of the following steps -

Submission of applications.

Publication and examination of applications.

Opposition to grant of patent of the applicant.

Grant and sealing of patent.

Submission of Application:

Section 6 to 11 of the Act lists the conditions which are to be satisfied by the applicant while submitting application for grant of a patent.

Persons entitled to apply for patents:

Section 6 provides that a patent application can be made:

person claiming to be the true and first inventor of the invention,

assignee (transferee) of the person claiming to be the true and first inventor,

by the legal representative of any deceased person, who immediately before his death was entitled to make such an application.

An application can be made by any person either alone or jointly with any other person.

First-to-apply system -

The statute is based on the first-to-apply system, sort of first come first served principle.

That is, a person who applies first gets the patent. In case an inventor is first to invent but applies for a patent later - any time after another inventor has made an application, he will not be entitled to get the patent.

Meaning of true and first inventor -

A person who is the first one to convert the ideas and scientific principles into a working invention, is the first and true inventor. A person who merely communicates an idea to another cannot claim to be the true and first inventor and so is not entitled to apply for a patent.

Example: A physics teacher explains a principle in his class. One of his students makes a working invention producing a new result by putting into use the principle taught by his teacher. The student is the true and first inventor and the one entitled to apply for a patent and not the teacher.

Inventions made by an employee -

Where an employee makes an invention during his employment, he would be entitled to apply for a patent. The person entitled to apply in such a situation would be determined by the contractual relationship, between the employer and the employee.

In case of inventions made by employees specifically employed for research and development, the employee do not get patent. In such cases the inventions belong to the employer and he is entitled to apply for the patent.

Form of application

Sec. 7(1) - only one application can be made for one invention and in prescribed form and filed in the Patent Office.

Sec. 7(1A) - An application for international patent should be filed under Patent Cooperation Treaty.

Sec. 7(2) - If an application is made under assignment, then along with the application, there must be proof of the right of assignment, i.e., some document must show that there was actual assignment (i.e. deed of assignment) made in favour of the applicant.

Sec. 7(3) - states that every application shall state that the applicant is in possession of the invention and shall name the person claiming to be the true and first inventor. If the person claiming to be

true and first inventor is not the applicant (e.g. an employee) the application shall contain a declaration that the applicant believes the person so named to be the true and first inventor. Sec. 7(4) - provides that every such application shall be accompanied by a provisional or a complete specification.

The Applicant shall file Provisional & Complete Specification:

Every application for Patent shall be accompanied by a provisional or a complete specification.

What is a specification - A patent specification is a technical document describing the invention. A specification may be provisional which gives the initial description of an invention when the application is filed. A complete specification gives full and sufficient detail of an invention in such a manner that a person skilled in the art can use the invention when he reads such a description.

Section 9 states that - where an application for a patent is accompanied by a provisional specification, then a complete specification shall be filed, within twelve months from the date of filing of an application, and if it is not so filed, then the application shall be deemed to have been abandoned.

However, if an application for a patent is accompanied by complete specification, and if the applicant requests within twelve months to treat it as provisional specification, then controller will do so and proceed with it accordingly.

Section 10 of the Act lists the contents of the complete specification as follows -

The invention shall be titled sufficiently indicating the subject-matter to which the invention relates. The full and particular description of the invention and its operation or use and the method by which it is to be performed.

The disclosure of the best method of performing the invention which is known to the applicant and for which he is entitled to claim the protection.

The claims defining the scope of the invention for which the protection is claimed.

The specification shall be accompanied by an abstract to provide technical information on the invention.

In case of an international application designating India - the title, description, drawings, abstract and claims filed with the application shall be taken as a complete specification.

The claim(s) of a complete specification shall relate to a single invention, or to a group of inventions, shall be clear and succinct.

The declaration as to the inventor-ship of the invention, shall be furnished within the period prescribed after filing of the specification.

The complete specification filed after a provisional specification may include claims in respect of developments of, or addition to the invention which was described in the provisional specification.

Section 10(2) provides that a Controller may require drawings to be supplied, which shall form part of the specification.

A claim is a feature of the invention over which the applicants claims an exclusive right. It defines monopoly. The function of a claim is to define and limit with precision what is it, which is claimed to have been invented and therefore, entitled for the patent protection.

Publication and Examination of Applications:

Chapter IV of the Patents Act deals as to Publication and Examination of Applications.

Publication:

Section 11A provides that – An application for patent shall not be open to the public for a period of eighteen months from the date of filing of application. The controller shall publish such application as soon as possible.

Every application for a patent shall be published on the expiry of the aforesaid period i.e. 18 months, except in the some cases.

The publication of every application shall include -

particulars of the date of applications,
number of application,
name and address of the applicant,
an abstract.

Thereafter, upon publication of an application for a patent, the patent office may make the specifications and drawings (if any) of such application available to the public.

On and from the date of application of patent and until the date of grant of patent, the applicant shall have the privileges and rights as if a patent for invention had been granted on the date of publication of the application. The applicant shall not be entitled to institute any proceedings for infringement until the patent has been granted.

Examination:

Section 11B - The applicant must request for examination of the application within thirty six months from the date of filing the application for patent, otherwise the application shall be treated as withdrawn.

When a request for examination has been made, then the application and specifications and other documents related shall be referred by the Controller to the examiner for making a report in respect of the following matters:

whether the application and the specifications and other documents related thereto, are in accordance with the Act and its rules.

whether there is any lawful ground of objection to the grant of patent.

the result of investigation made under section 13,

any other matter, which may be prescribed.

The examiners to whom such application are referred shall make the report to the controller within one month. However, this period shall not exceed three months from the date of reference of the application.

Communication to the applicant -

If, any objections are raised by the Patent Examiner on examination, the Patent Office will communicate it to the applicant. The objections generally relate to the drafting of the specification and claims, anticipation of any of the claims in any prior publication of any specification or claims or documents, or prior publication of the invention in some book or journal.

The applicant is to make the amendment sought. If such amendments are not made within fifteen months from the date on which the objections to the application is forwarded by the Controller to the applicant, the application is deemed to have been abandoned. Such period of making amendments can be extended to a maximum of 18 months on a request for extension being made by the applicant.

If the objections are not satisfactorily rectified, the Controller, after giving an opportunity of hearing to the applicant, may refuse the acceptance of the application.

Opposition Proceedings to Grant of Patent -

Where an application for a patent has been published but a patent has not been granted, then any person in writing may file an opposition to the Controller against the grant of patent on the grounds:

The applicant had wrongfully obtained the complete invention or a part thereof from a person under or through whom he claims.

The invention has been the subject-matter of a prior claim in an application which is prior in time than the applicant's claim.

The invention as claimed in the complete specification was publicly known or publicly used in India before the applicant's claim.

The invention as claimed by the applicant in his complete specification is obvious and does not involve any inventive step.

The invention is not patentable or its patenting is prohibited under the Act.

The complete specification of the applicant does not sufficiently and clearly describe the invention or the method by which it is to be performed.

In case of foreign application, the failure to disclose Information relating to such application filed in a foreign country.

In case of convention application, the application was not made within twelve months from the date of first application for protection of invention made in a convention country by the applicant or a person from whom he derives title.

In case the complete specification does not disclose or wrongly mentions the source or geographical origin or biological material used for the invention.

In case the invention is anticipated having regard to the knowledge, oral or otherwise, available within any local or indigenous community in India or elsewhere.

The Controller shall, hear him and dispose of in such manner and within such period as may be prescribed.

Even after the grant of patent, but before the expiry of one year from the date of grant of patent - any person interested may give notice of opposition to the Controller, on any of the similar grounds mentioned aforesaid.

Where any such notice of opposition is duly given, the Controller shall notify the patentee and shall constitute a Board, refer such notice of opposition along with the documents for examination and submission of its recommendations to the Controller. The Opposition Board, after giving the patentee and opponent, an opportunity of being heard, shall submit its recommendations to the Controller, and the Controller shall order either to maintain, or the amend, or to revoke the patent, though while passing an order, the Controller shall not take into account any personal document or secret trial or secret use.

Grant of Patent:

When the application for a patent is found to be in proper order for grant of the patent and: the application has not been refused by the Controller, and the application has not been found in contravention of the provisions of the Act, then, the patent shall be granted as expeditiously as possible with the seal of the patent office, and the date on which the patent is granted shall be entered in the register.

On the grant of the patent, the Controller shall publish the fact that the patent has been granted and it shall be open for the public inspection. A patent shall be granted for one invention only.

Against the decision of the Controller, appeal can be made in the Appellate Board.

Other Provisions:

Date of Patent:

The patent becomes effective from the date of filing of complete specification. The date of every patent shall be entered in the register. No suit or other proceeding shall be commenced or prosecuted in respect of an infringement committed before the date of publication of the application.

Extent and Effect of Patent

Every patent shall be in the prescribed form and shall have effect throughout India. A patent shall be granted for one invention.

Term of Patent:

Section 53 of the Act lays down that the term of patent shall be twenty years from the date of filling of the application for the patent.

Similarly, the term of patent in case of international applications shall be twenty years from the international filing date accorded under the Patent Co-operation Treaty.

Transfer & Assignment of Patent

A patent is a transferable property. It can be transferred from the original patentee to any other person by assignment by the patentee or by operation of law. Transfer of a patent can also occur by grant of licence by the patentee to another person to work on the patented invention.

Where there are two or more co-owners of a patent, one single co-owner cannot assign or license the patent, except with the consent of the other co-owner.

Forms of Transfer of Patent:

The patentee is authorised to assign, grant licence(s) or otherwise deal with the patent for a consideration. The transfers of patent rights are generally in the following forms -

Assignment.

Licence.

Transmission of patent by operation of law.

Assignment

Assignment, as defined in Black's Law Dictionary, means the transfer by a party of all of its rights or interest in the property.

The difference between assignment and licence -

A licence merely confers a personal privilege to do some particular act(s). There is no transfer of interest in licence. On the contrary, assignment means the transfer of interest in the patent, whole or in part of the patent rights, e.g., for the whole of India or a part thereof.

Assignee

The person in whose favour a right has been assigned is the assignee and the person who assigns the right (patentee himself or his agent) is the assignor. In case patentee is dead, the term assignee would denote the legal representative. Where assignment is made in favour of two or more persons, they become co-owners of such interest in the patent.

Kinds of assignment

There can be three kinds of assignments:—

Legal assignment.

Equitable assignment.

Mortgage.

Legal assignment

An assignment of an existing patent through an agreement which has been duly registered is a legal assignment. A legal assignee has the right to have his name entered in the Register of patents maintained in the Controller's Office as proprietor of the patent and can thereafter exercise all the rights conferred on him by the proprietor of patent.

Equitable assignment

Any document such as letter but not being an agreement registered, in which patentee agrees to give another person certain defined right in the patent with immediate effect, is an equitable assignment.

An assignee in such a case cannot have his name entered in the Register as the proprietor of patent. He can only have a notice of his interest entered in the register. He can convert the equitable assignment to legal assignment by getting a written agreement to this effect and having it duly registered.

For instance, a patentee D writes a letter to E whereby he assigns to E the right to make and sell the invention within the territory of Delhi. D has transferred his proprietary right through equitable assignment to E to the extent mentioned in his letter.

Mortgage:

A mortgage is also a form of assignment. A mortgage is a document transferring the patent rights either wholly or partly to the mortgagee with a view to secure the payment of a specified sum of money.

The mortgagor (patentee) is entitled to have the patent re-transferred to him on refund of the money to the mortgagee. The mortgagee (a person in whose favour a mortgage is made) is not entitled to have his name entered in the Register as the proprietor, but he can get his name entered in the Register as a mortgagee.

Conditions to create a valid assignment -

For the creation of any interest in the patent has to satisfy the following conditions -

The assignment shall be reduced in writing in a document containing all the terms and conditions governing the rights and obligations between the parties.

The written agreement is duly registered under the provisions of Indian Patents Act.

Licence:

A patentee can transfer a right by a licence agreement permitting a licensee to make, use or exercise the invention. Licence agreement contains all the terms and conditions of licensing between the licensor and the licensee.

Kinds of licence -

The different kinds of licences are -

Voluntary Licence:

Voluntary licence is a written authority granted by the owner of the patent to another person(s) empowering them to make, use, sell the patented article in the manner and on terms and conditions provided in the licence. The terms and conditions are settled between the patentee and the licensee. Controller or Government have no role in the matter of grant of licence, so it is termed as voluntary licence.

Statutory Licence:

In statutory licensing, the Controller and the Central Government play an important role. The circumstances of grant of such licences, their terms and conditions do not depend upon the will of the parties as is the case in grant of voluntary licences but upon the will of Government.

Exclusive/limited licence:

Depending upon the degree and extent of rights conferred on the licensee, a licence may be exclusive or non-exclusive limited licence.

An exclusive licence confers all exclusive rights, (to make, distribute or sell) on the licensee excluding all other persons.

For example - A, a patentee in India grants a licence to exploit the invention in India. A does not confer any other person such right, B gets an exclusive licence in the patent.

A limited licence imposes certain limitations on the right of the licensee. The limitations may relate to persons, time, place of manufacture, use or sale. For example, A grants a licence to B to manufacture the patented article, and gives C the licence to sell it in the territory of Uttar Pradesh only. Both B and C get limited licences.

Express/implied:

An express licence is the one in which the permission to use the patent is given in express terms.

In an implied licence, the permission is not given in express terms in writing but it is implied from the circumstances.

For example - where a person buys a patented article either directly or indirectly from the patentee or his licensee, there is an implied licence to the buyer to use the article in any way or to resell it.

Rights conferred on a licensee -

A licence, which is valid and registered, confers certain rights on the licensee to make, use or exercise the patented invention. A licensee will have the right to initiate proceedings against infringement of the rights accruing to him under the licence.

If his licence is non-exclusive, the infringement proceedings can be instituted by the patentee or the licensee.

Transmission/Operation by way of Law:

When a patentee dies, his interest in the patent passes to his legal representative by succession i.e. transmission. It can be by intestate or testamentary succession.

Registration of assignment/licence is essential

The Act provides that an assignment or licence of a patent can be valid only when it is in writing and registered with the Controller of Patents.

However, the Controller or the High Court, during proceedings before either of them, have the discretion to accept or reject the unregistered documents of transfer of patent rights as evidence of the title of any person in the patent or any interest therein.

The registration of the transfer of right in a patent is, therefore/ preferable since the holder of a title in a document which is registered, is entitled to sue for infringement. In case the document is not registered, the assignee or licensee has to first prove his title, only then would he be entitled to sue for infringement.

Certain Restrictive conditions to be Avoided:

Patentees are at liberty to impose certain restraints on the licensees. For instance, a patentee may restrain the licensee from selling the patented article in a particular territory or not to seek items manufactured by patentee's competitors. However, the patentee cannot impose such restrictions on the licensees which are against public interest.

The restrictive conditions which cannot be imposed on a licensee are provided in section 140 of the Act as below:

To require the licensee to acquire from the licensor or the patentee or to prohibit him from acquiring any article other than the patented article or the article made by the patented process.

To prohibit the licensee or to restrict him to use an article other than the patented article or the article made by the patented process which is not supplied by the licensor,

To prohibit the licensee or to restrict him to use any process other than the patented process.

To provide exclusive grant back, preventing the challenges to validity of patent and coercive package licensing.

Any such condition laid down by the patentee on a licensee shall be void.

Conclusion:

Revocation and Surrender of Patents

The monopoly rights granted to patentee, is subject to certain obligations and restrictions. A patentee can surrender his patent, if he is not willing to carry out those obligations. Similarly if the Patent is obtained erroneously or contrary to legal provisions of Patent Act, it can be revoked.

The Patent Act also provides an opportunity to patentee to get his lapsed patent restored on fulfilling some conditions.

Surrender of Patent

According to Section 63, a patentee may, by giving notice in prescribed manner to the Controller, offer to surrender his patent.

Where such an offer is made, the Controller should advertise the offer in the prescribed manner and should also notify every other interested person whose name appears in the Register.

Thereafter any person interested should give notice to the Controller, of opposition to surrender and the Controller should notify the patentee, of such opposition.

The persons who may oppose include co-patentees, licensees, assignees, and the mortgagees. If the Controller is satisfied, after hearing both the parties that the patent may properly be surrendered, he may accept the offer and by an order revoke the patent.

Revocation of Patent:

A patent granted by the Controller may be revoked by High Court.

Who may petition the High Court -

Under Section 64 the following persons may petition the High Court for revocation of patent, namely -

Any person interested,

The Central Government,

The person making a counter claim in a suit for the infringement of a Patent.

Revocation of the Patent -

The patent may be revoked by the High Court on a petition of any interested person or of the Central Government or on a counter-claim in a suit for infringement of the patent on the grounds:

That the invention claimed in any claim of complete specification, was already claimed in a valid claim of the earlier priority date contained in complete specification of another patent granted in India.

That the patent was granted on an application of the person not entitled to apply for the patent.

That the patent was obtained wrongfully in contravention of the rights of the petitioner,

That the claim of the complete specification is not an invention within the meaning of the Act.

That the invention, as claimed, is not new having regard to what was publicly known or used in India or elsewhere before the expiry date of the claim.

That the invention is obvious or does not involve any inventive step.

That the invention is not useful.

That the complete specification does not sufficiently and fairly describe the invention and the method by which it is to be performed.

That the scope of the claim of the complete specification is not sufficiently and clearly defined or is not fairly based on the matter disclosed in the specification.

That the patent was obtained on a false suggestion or representation.

That the subject of the claim is not patentable under the Act.

That the invention claim was secretly used in India.

That the claimed invention failed to disclose the requisite information and undertaking regarding the foreign application.

That the applicant has contravened any direction for secrecy passed by Controller or the Central Government.

That the leave to amend the complete specification was obtained by fraud.

That the complete specification does not disclose or wrongly mentions the source of geographical origin of biological material used for the invention.

That the invention so far as claimed in any claim of the complete specification was anticipated having regard to the knowledge, oral or otherwise, available within any local or indigenous community in India or elsewhere.

Lapse of Patent:

Lapsing of patent for non-payment of renewal fee

Section 53(2) lays down that patent shall cease to have effect if the renewal fee is not paid within the period prescribed or the extended period.

Limitation on Restored patents

Section 62 of the Act provides that on a patent which has once lapsed due to non-renewal for non-payment of renewal fee, certain limitations are imposed on the rights of the patentee when the same is restored.

The Controller may impose conditions for protection or compensation of persons who may have begun to make use of the invention or avail themselves of the invention during the period when the patent was not effective due to such lapse.

In such a case, the patentee loses his right to sue for infringement of a patent committed by another person between the date on which the patent ceases to have effect and the date of the publication of the application for restoration of patent.

Infringement of Patents

Patents confer on the owner the exclusive rights to make distribute or sell the invention in India and to prevent the infringement from the third parties.

An infringement means the violation of the rights granted by the patent. Thus any Act of making, using, selling or importing the patent without the consent of the patent holder amounts to infringement.

Provisions as to Infringement:

What amounts to infringement:

Following action may constitute infringement:

The colourable imitation of an invention

Immaterial variations in the inventions.

Mechanical equivalent

Taking essential features of the invention.

A colourable imitation or immaterial variation amounts to infringement when the infringer makes a slight modifications in process or product patent, but in fact takes in the essential features of the patentee invention.

Infringement by mechanical equivalent would occur when the infringer uses mere substitutes for those features so as to get the same result, for the same purpose as obtained by the patentee.

Infringement should be decided on the facts of each case as there is no generalized formula as to which acts constitutes infringement.

Doctrine of Pith & marrow:

Pith & marrow of the invention is the essence of the invention which is taken and reproduced in the infringed article even by incorporating a colourable variation of it within the invention an infringement has taken place.

Courts apply this doctrine, which means that the court is not to detect an absolute similarity of invention and the infringed one but it has to see whether pith & marrow of the invention has been taken or not and if it is done so then there is infringement.

Acts which do not amount to Infringement: Sec (47 &107(A))

Importing of any machine, apparatus, or any other article for which the patent is granted by or on behalf of the Govt.

Manufacturing or use of patented process, by or on behalf of the Govt.

Manufacturing or using patented article or process by any person for the purpose of experimentation or research includes imparting instruction to the pupil.

Import of patented drugs or medicines by the Govt. for the purpose merely for its own use or for the distribution in any hospital or dispensary or medical institution run or maintained by it.

Any Act of making, constructing, using, selling or importing a patented invention solely for the reasonable use related to the development and submission of information required under any law in India.

Importation of the patented products by a person duly authorized by the patentee.

Where a Suit is to be Instituted/Jurisdiction:

Sec 104, of the Act provides that, the suit for infringement can be instituted in any court inferior to District court having jurisdiction to try the suit.

However, in certain cases, where H.C has original jurisdiction to try the suit, then the suit shall be instituted in the H.C.

When a defendant makes a counter claim for revocation of a patent, the suit shall be transferred to the H.C.

Procedure to be followed in a suit:

The procedure to be followed in a suit for infringement shall be governed by the provisions of C.P.C.

When a Suit can be instituted

A suit for infringement can be instituted only after the patent has been sealed and during the term of patent. If the infringement is done during the term of the patent and the term of the patent has been expired, then in such cases the suit can be instituted after the expiry of the term.

Period of Limitation:

Three years period is provided for institution of suit. No need to serve notice to the defendant before filing a suit.

Who can Sue:

Patentee/ co-owner.

Licensee, (when license is registered)

A party to the contract, other than a contract of license, upon the terms of the contract.

Assignee (but he can't sue for infringement which occurred prior to the assignment)

Burden of proof:

Generally, the burden of proof lies upon the plaintiff. But in such suit for infringement, it lies upon the defendant, to prove that his product or process is not an infringing one.

Persons who can be sued:

Persons who infringes the patent, i.e violates the patented rights of the patentee, can be sued for infringement.

When two or more persons jointly infringed the patents then both of them can be sued as co-defendants.

Agents and servants of a principal who is/are responsible for the infringement can also be sued, either individually or collectively along with the employer / principal.

The consignee's of an infringing article can be made party to the proceedings in an infringement suit.

Defences which may be set up by the Defendant:

The defendant may set up one or more of the following defenses -

That the plaintiff is not entitled to sue for infringement.

There has been no infringement or any threat or intention to infringe

There was a leave or license, express or implied, to use the invention.

Estoppel or res judicata.

That the claims alleged to be infringed are invalid on the following grounds mentioned below:

That the invention as far as claimed was subject matter of a valid claim of an earlier priority date or a prior grant

That the patent was granted on the application of a person who was not entitled to apply

That the patent was obtained wrongfully

That the subject of any claim of complete specification is not an invention within the meaning of this Act

That the invention so far claimed is not new since it was publically known or publically used in India before the priority date of the claim

At the time of infringement, there exist a contract relating to a patent between both of them

The actions complained of fall within the scope of innocent infringement and the defendant was unaware of the existence of the patent when the infringement occurred or done. However, this defense is available only against a claim for damages or account of profits and not when the relief sought is an injunction

That the alleged use of the patent is for research or instruction of pupil

Counter-claim for revocation of the patent by the patentee.

Relief/Remedies available in case of Infringement:

According to sec 108, if the plaintiff/patentee proves the infringement by defendant, then the court may grant following reliefs, which are:

Injunction:

Its an order of a court prohibiting someone from doing some specified Act, or commanding someone to undo some wrong or injury.

Generally, it's a preventive and protective remedy in the Act preventing future wrongs. Its of two types:

Temporary / interlocutory

Final injunction

Temporary injunction :

There are the orders of the court which are enforced for a specified time or until further orders of the court. It may be granted at any time during the pendency of the suit.

Plaintiff moves the court to grant an interim injunction to restrain the defendant from committing and continuing to commit infringing actions.

Certain principles are followed by the courts while granting interlocutory injunction they are :
Plaintiff must establish prima facie case in favor
Plaintiff must also establish that the balance of convenience lies in his favors
That the refusal to grant interlocutory injunction would cause irreparable injury to the plaintiff.
Final injunction:

Such injunction is granted at the termination of the trial. The time for which the final injunction is in force is till the remaining term of the patent.

Damages or Accounts of profit:

A successful plaintiff, in suit of infringement, is entitled to the relief of damages or accounts of profits, but both the reliefs cannot be granted together.

In following cases, there cannot be these reliefs granted which is,
when the infringement was innocent, and the defendant was not aware that the patent existed.
The infringement was committed after the failure to pay the renewal fee.
Where the specifications has been amended, and the infringement was committed before the date of such amendment.

Accounts of profit:

These are determined on the basis of actual use of the patentee's invention by the infringer during the period of infringement. In simple terms, it's the profit earned on infringement by the infringer, and at the same time is returned.

Destruction/Delivery of Infringing Goods:

Its made with a view to prevent infringement. It's a discretionary order of the court, because the property in the articles which though made in violation of the patent, resides with the infringer, though he is prevented to use that.

An order for delivery up or destruction is made with a view to prevent the defendant from making the use of infringing goods or articles which might be in his possession it is a discretionary order of court. The property in the articles which are made in violation of a patent resides in the infringer though he is prevented from using them.

Conclusion:

Short Note: Patent Agents

Introduction:

To practise as a Patent Agent under the Act, a person has to get his name registered as a Patent Agent by making an application in Form 22 as specified in the Patents Rules, 2003 at the Head Office or the Patent Office.

Qualifications of a patent Agent:

The Patents (Amendment) Act, 2002 has made some special provision. A person shall be qualified to be a Patent Agent, if he is a citizen of India, has completed 21 years of age, has obtained a degree in science, engineering and technology from any university recognised by law in territory of India and in addition has passed the qualifying examination for the purpose or is an advocate or has minimum of 10 years experience as examiner or as Controller.

Rights of Patent Agent

Every Patent Agent shall be entitled to practise before the Controller and prepare all documents, transact all business and discharge such other functions as may be prescribed by the Controller. Patent Agent is authorised to sign all applications and communications to the Controller on behalf of the person concerned, upon his being authorised in writing to do so by that person.

Disqualification for Registration of Patent Agent

The Patents Rules, 2003 provides for disqualification. No person is eligible to be registered as a patent agent, if he -
has been adjudged to be of unsound mind by a competent court;
is an undischarged insolvent;
being a discharged insolvent, has not obtained from the Court a certificate to the effect that his insolvency was caused by misfortune without any misconduct on his part;
has been convicted by a competent court whether within or outside India of an offence to undergo a term of imprisonment; unless the offence of which he has been convicted, has been pardoned or unless on an application made by him, the Central Government has, by order in this behalf, removed the disability.
being a legal practitioner has been guilty of professional misconduct; or
being a chartered accountant, has been guilty of negligence or misconduct.

Module 3 Trade Mark Act,1999

Nature of Trade Mark

Trade and commerce is the life line of economy of any nation. In the era of competition, the goods are traded by their names which indicate quality and identity of the goods.

With the emergence of competitive market, huge numbers of similar goods were manufactured. A consumer is duped if he buys a commodity presuming it to have originated from a certain identified source, but actually it is not and later finds it to be substandard. In such case - the reputation of trader suffers.

So to identify their products, manufacturers began to use certain symbols, marks or devices whereby their goods can be distinguished from similar goods manufactured and marketed by others.

The interests of both the consumer and the trader can be saved if some definite symbol is attached with the goods which mark out the origin of goods from a definite source and such a symbol is called a trade mark. This also led to trade mark acquiring goodwill and reputation among consumers of goods.

Need and Emergence of Trade Mark Laws:

The marks associated with goods acquire a reputation and goodwill. Before the enactment of the Trade Marks Law, the trademarks used to be called common law marks. The common law marks could not be registered as there was no law only.

The owner of a common law mark had to protect his mark against acts of infringement by initiating common law proceedings for passing off. Such proceedings had to be set in motion each time an infringement occurred. Also such proceedings could be launched only when the mark had actually been used by an infringer. Such proceedings used to be time-taking and burdensome. That brought in the need for a special legislation.

The first statutory enactment prior to independence was Trade Marks Act, 1940. But this Act was repealed and a new statute - The Trade and Merchandise Marks Act, 1958 came into existence. New Act gave a system of registration of trademarks and statutory recognition to proprietorship of trademarks and also defined the rights conferred by such registration and prescribed remedies in respect of infringement of those rights. But even this Act of 1958 has now been replaced by 1999 Act.

The provisions of the Trade Marks Act, 1999 came into force with effect from 15th day of September, 2003.

Definitions:

Section 2(1)(m) defines - 'Mark' is a device, brand, heading, label, ticket, name, signature, word, letter, shape of goods, packaging or combination of colours, numeral or any combination thereof.

Section 2(1)(zb) defines - 'Trade mark' as a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others and may include shape of goods, their packaging and combination of colours.

Ingredients:

After carefully reading the definition of 'trade mark' and 'mark' it becomes evident that it contains following ingredients:

Trade mark must be a mark which includes a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof.

The mark must be capable of being represented graphically.

It must be capable of distinguishing the goods or services of one person from those of others.

It may include shape of goods, their packaging and combination of colours.

It must be used or proposed to be used in relation to goods or services.

The use must be for the purpose of indicating a connection in the course of trade between the goods or services and some persons having the right either as proprietor or by way of permitted user to use the mark.

Meaning of Different Kinds of Marks Device:

Device: It is a symbolic/graphic representation.

Brand: It usually refers to those kind of marks which are branded on goods themselves constituting the trademark. Illustration—PERRY brand rice, TORTOISE brand mosquito coil.

Letters: The letters have been very useful elements for designers to work with and develop a popular trademark. Some reputed examples of letter marks are - LG, IBM.

Heading: The dictionary meaning of heading includes an inscription which means message, caption, writing etc. However, the meaning of the word heading in reference to trademark is not very clear.

Label: A label may refer to a composite mark containing various features including devices and words usually printed on paper which can be pasted or attached to the goods themselves or their containers.

Ticket: Ticket may be something stitched or tagged on the goods and containing the mark printed or pasted thereon. Some popular examples relating to garments are— 'WRANGLER' jeans, 'PENTALOON' shirts, 'ZODIAC' ties.

Name: Name may be of an individual (including surname), firm or company. Name also includes any abbreviation of a name.

Signature: Signature means signature of an individual e.g. signature of proprietor of business.

Word, Letter and Numeral: The terms word, letter and numeral are to given their plain and general meaning. A mark may consist of a combination of them. Illustration '303' capsules, '555' cigarettes.

Shape of goods: The Trade Marks Act 1999 makes shape of goods registrable as mark under the Act. Illustration—shape of soap, shape of tooth brush.

Packaging: Package includes 'any case, box, container, covering, folder, receptacle, vessel, casket, bottle, wrapper, label, band, ticket, reel, frame, capsule, cap, lid, stopper and cork'. The definition is inclusive, and not exhaustive.

Combination of colours: Combination of colours has been inserted within the definition of mark under the Trade Marks Act 1999. A scheme of colouring applied to goods is, therefore, a mark within the definition,

Any combination of different marks: Any combination of two or more marks is also a mark within the definition of mark.

Essentials for a good Trademark

Besides possessing a distinctive trademark, it should possess the following attributes:—

it should be easy to pronounce and remember, if the mark is a word;

the device should be capable of being described by a single word;

it should be of such character, which makes it spell correctly and write legibly,

it should be short;

it should be attractive to eye;

it should satisfy the requirement of registration.

Case:

Sumat kumar v. Sheojanan Prasad & State of Bihar

Supreme Court observed that a trade mark means a mark used in relation to goods for the purpose of indicating a connection between the goods and some person having the right as proprietor to use that mark.

The function of a trade mark is to give an indication to the purchaser or a possible purchaser as to the manufacture or quality of the goods, to give an indication to his eye of the trade source from which the goods come, or the trade hands through which they pass.

Firm Koonerji Bechari Lal v. Firm Adam Hazi Pir Mohammed (AIR 1944 Sind 21)

The Sind High Court has observed that a trade mark is some symbol consisting in general—picture, label, word or words, which is applied or attached to goods of a trader so as to distinguish his goods from similar goods of other traders. It is the adoption or use of a trade mark, which give a title to it.

As soon as trade mark has been so employed in the market to indicate to purchasers that the goods to which it is attached are the manufacture of a particular firm, it becomes to that extent the property of the firm.

Thus a trade mark is a property right which the law protects. A trade mark is a visual representation attached to goods for the purpose of indicating their trade origin.

The Functions of Trademark:

A trade mark serves the purpose of identifying the source of origin of goods. Trade mark performs the following four functions:

It identifies the product and its origin. For example, the trade mark 'Brooke Bond' identifies tea originating from the Company manufacturing tea and marketing it under that mark.

It guarantees its quality. The quality of tea sold in the packs marked Brooke Bond Tea would be similar but different from tea labeled with mark Taj Mahal.

It advertises the product. The trade mark represents the product. The trade mark 'Sony' is associated with electronic items. The trade mark SONY rings bell of particular quality of particular class of goods. It thus advertises the product while distinguishing it from products of Sony's competitors. It creates an image of the product in the minds of the public, particularly consumers or the prospective consumers of such goods.

The mark 'Mc' which stands for the food items originating from the American fast food chain McDonalds creates an image and reputation for food items offered by it for sale in the market.

Conclusion:

Other Marks - Service Mark, Collective Marks, Certification Trademark, Well-Known Trademarks, Internet Domain Etc.

Introduction:

Other than trademarks, there are certain other specific forms of marks which may be related to trademarks. These marks cover certain categories of trade, business or services. The new trademark law also provides legal protection to them.

Other Marks:

Other Marks are explained as under:

Service Marks

Service business has become a major area of business at national and global level. Hence service industry also needs to be protected. Under the Trade and Merchandise Marks Act, 1958 service marks were not registrable. However, The 1999 Act, makes the service marks also registrable.

Section 2(z) defines 'service' as under:

"Service" means

service of any description which is made available to potential users and includes the provision of services in connection with business of any industrial or commercial matters

such as banking, communication, education, financing, insurance, chit funds, real estate, transport, storage, medical treatment, processing, supply of electrical or other energy, boarding, lodging, entertainment, amusement, construction, repair, conveying of news or information and advertising. Illustration- Logos of PNB, SBI, IDBI, ICICI, AIRTEL, DLF, etc.

Collective Marks

Section 2(g) defines 'Collective Mark' as under:

'Collective Mark' means

a trade mark distinguishing the goods or services of members of an association of persons which is the proprietor of the mark from those of others.

The association of persons, however, does not include partnership within the meaning of Indian Partnership Act, 1932.

Example: Godrej, Bajaj etc.

Section 2: lays down that any reference to "Trade Mark" shall include reference to "Collective Mark" or "Certification Trade Mark".

Collective mark not to be misleading as to character of significance

Section 62 of the Act prohibits the registration of collective mark, if it is likely to deceive or cause confusion on the part of public in particular if it is likely to be taken to be something other than a collective mark, and in such case the Registrar may require that a mark in respect of which application is made for registration comprises some indication that it is a collective mark.

Well-known Trade Mark:

Section 2(zg) defines as follows:

'Well-known trade mark', in relation to any goods or services means -

a mark which has become so as to the substantial segment of the public which uses such goods or receives such services

that the use of such mark in relation to other goods or services would be likely to be taken as indicating a connection in the course of trade or rendering of services between those goods or services and a person using the mark in relation to the first mentioned goods or services.

Illustration - Airtel, Reliance, Britannia, Parle, Liberty, Raymond, Colgate, Bata etc.

For determining whether a mark is a well-known mark, the Registrar may take into account any fact which he considers relevant for the said purpose. He is also mandated to consider: knowledge or recognition of that trade mark in the relevant section of the public including knowledge in India obtained as a result of promotion of the trade mark; the duration, extent and geographical area of any use of that trade mark; the duration, extent and geographical area of any promotion of the trade mark, including advertising or publicity and presentation, at fairs or exhibition of the goods or services to which the trade mark applies; The duration and geographical area of any registration of or any application for registration of that trade mark under the Act to the extent they reflect the use or recognition of the trade mark; The record of successful enforcement of the rights in that trade mark. The extent to which the trade mark has been recognised as a well-known trade mark by any court of registrar; If a mark is determined as well-known, by even one section of the public in India, by any court or registrar, it should be considered as well-known for registration.

For considering whether a mark is a well-known mark, the Registrar is mandated not to require the following aspects as necessary conditions: that the trade mark has been used in India; that the trade mark has been registered; that the application for registration of the trade mark has been filed in India; that the trade mark –
(i) is well-known in; or
(ii) has been registered in; or
(iii) in respect of which an application for registration has been filed in, any Jurisdiction other than India; or
(iv) that it is well-known to the public at large in India;

Certification Trademark:

Certification Trademark means

a mark capable of distinguishing the goods or services in connection with which it is used in the course of trade

which are certified by the proprietor of the mark in respect of origin, material, mode of manufacture of goods or performance of services, quality, accuracy or other characteristics of goods or services not so certified and registrable under the Act.

A mark shall not be registrable as a certification trademark in the name of a person who carries trade in goods of the kind certified or a trade of the providing of services of the kind certified. Illustrations: 'Agmark' for food items, 'Hallmark' for Jewellery.

Internet Domain Name:

Use of computer and information technology have brought revolutionary changes in business methodology. The Information Technology Act, 2000 has paved the way for E-commerce. In the present scenario Internet domain names play a very vital role in promotion of business. They are valuable corporate assets.

With the advancement and progress in the technology, the services rendered on the Internet site have also come to be recognized and accepted and are being given protection so as to protect such provider of services.

Term of Trademark

A unique feature of trademark is its perpetual life. Though initially a trademark is registered for 10 years, but it can be periodically renewed and can be used for indefinite period, unless it is removed from register or prohibited by court order.

It is interesting to note that first trademark registered in U.K. under No. 1 of 1876 consisting of Red Equilateral Triangle in respect of alcoholic beverages is still in force.

Conclusion:

Registration of Trademark

Trademark may be registered or unregistered. Legal remedies against infringement are provided for both. The registration offers prima facie evidence of ownership of trademark, whereas, in case of non-registration the user of trademark has to establish the prior use and passing off.

The whole subject of registration can be explained in two parts viz., conditions and grounds for registration and procedure for registration.

Conditions and Grounds for Registration (Sections 6 to 17)

Register of Trademark

All trademarks, which are accepted for registration, are entered into a Register maintained by Registrar. Under the repealed Act of 1958 the Register was divided into part A and part B; but the new Act of 1999 has done away with this practice and only a single Register is now maintained.

It shall be lawful for Registrar to keep the record wholly or partially in computer floppies diskettes or in any other electronic form subject to such safeguards as may be prescribed.

Classification of Goods (Sections 7 & 8)

The Registrar shall classify goods and services, as far as may be, in accordance with the international classification of goods and services for the purposes of registration of trademarks. Any question arising as to the class within which any goods or services falls shall be determined by the Registrar whose decision shall be final.

The Registrar may publish in the prescribed manner an alphabetical index of classification of goods and services. Where any goods or services are not specified in the alphabetical index of goods and services, the classification of goods or services shall be determined by the Registrar.

Duration of registration:

When an application for registration is made to the Registrar, he may accept or refuse after having accepted the same, if the conditions so demand.

Case: Contest 2 Win.com India Put. Ltd. v. Cell Cast Interactive India Pvt. Ltd.

It was held by Bombay High Court that one does not get a proprietary right over a mark merely by virtue of applying for the registration of the said mark as his trademark.

As per Section 24 of the Trademarks Act, 1999, a trademark is owned by only one person, but under special circumstances two or more persons may also be registered as joint proprietors of a trademark.

The registration of a trademark is initially made for a period for 10 years but may be renewed from time to time by payment of prescribed fee. Before the expiry of the reserved term, the Registrar gives a notice to the proprietor to get it renewed for another term by depositing prescribed fee and fulfilling other conditions, if any, mentioned in the notice. If the proprietor fails to comply with the notice and conditions prescribed therein, the Registrar will remove the trademark from the register after its present term expires.

Relevant Factors to be considered by Registrar:

Every trademark is not registrable. For obtaining registration a trademark has to fulfill the conditions laid down under the law; in other words, the registration may be refused if the trademark is covered under prohibited grounds. These grounds are further classified into absolute grounds and relative grounds.

Before granting registration the Registrar shall examine the application keeping in mind the following factors:

deceptively similar

absolute grounds for refusal of registration;

limitations as to colour;

relative grounds for refusal of registration;

honest and concurrent uses;
names of chemical elements etc.; and
names and representations of living persons or persons who recently died etc.

These factors are explained hereunder:

Deceptively Similar Work

The expression 'deceptively similar' in relation to a mark has been defined as that which so nearly resembles the other mark as to be likely to deceive or cause confusion.

The principles for deciding the question of similarity of two marks are -

The marks are remembered by general impressions of some of significant detail rather than by a photographic recollection of the whole.

Overall similarity is the touch stone.

Mark must be looked at from the first impression of a person of average intelligence and imperfect recollection.

Overall structure, phonetic similarity and similarity of idea are important and both visual and phonetic tests must be applied.

The marks must be compared as a whole, microscopic examination being Further, the nature of commodity, the class of purchaser, the mode of purchase and other surrounding circumstances must also be taken into consideration-Factors to be considered for deciding deceptive similarity

For deciding the question of deceptive similarity, the following factors are to be considered -

The nature of mark i.e., whether the marks are word marks or label marks or composite marks i.e., both word and label marks.

The degree of resemblances between the marks, whether they are phonetically, visually or structurally similar and hence similar in idea.

The nature of goods in respect of which they are used as trade marks.

The similarity in the nature, character and performance of the goods of the rival traders.

The class of purchaser who are likely to buy the goods bearing the marks.

The mode of purchasing the goods or placing orders for the goods.

Any other surrounding circumstances.

It is also settled that weightage to be given to each of the aforesaid factors depends upon facts of each case and the same weightage cannot be given to each factor in every case.

Criteria for determining the deceptivity:

The Act does not lay down any criteria for determining what is likely to deceive or cause confusion within meaning of the provisions therein. Therefore, every case must depend upon its own particular fact and the value of authorities lies not so much in the actual decision as in the tests applied for determining what is likely to deceive or cause confusion. On an application to register, the Registrar or an opponent may object that the trade mark is not registrable by reason of provisions embodied in Act.

In such a case, the onus is on the applicant to satisfy the Registrar that the trade mark applied for is not likely to deceive or cause confusion. In cases when it is considered that there is doubt as to whether deception is likely, the application should be refused. A trade mark is likely to deceive or cause confusion by its resemblance to another already on the register if it is likely to do so in the course of its legitimate use in a market.

Distinctiveness

The distinctiveness of a mark is the hallmark (essential feature) of the law of trade mark. This concept is included in the definition of trade mark itself.

Case:

M.R. Verma v. William Hollins & Co. Ltd. (AIR 1947 Lah. 29)

It was held that distinctive mark must mean some mark which distinguishes the goods to which it is attached on those made or sold by the persons who uses the mark.

Imperial Tobacco Co. of India Ltd. v. Registrar of Trade Marks (AIR 1977 Cal. 413)

It was held that distinctiveness has been understood as - some quality in the trade mark which makes the goods distinct from those of others.

Distinctiveness may be -

(i) inherent; or

(ii) acquired over a period of time.

The importance of distinctiveness:

The trade mark law is based on the principle that one good can have only one origin, same as one man has one mother. The trade mark serves as an identification of origin and distinguishes the marked product from those of the competitors that is why the element of 'distinctiveness' is so important.

Distinctiveness does not give conclusive right to registration:

The distinctiveness though a necessary condition for registration, is not by itself sufficient to qualify for registration. The applicant's chance of success in obtaining registration of a mark would largely depend upon whether other traders in the ordinary course of business and without any improper motive desire to use the same mark.

Absolute Grounds for refusal of registration:

Under Sec. 9 following categories of trademarks shall not be registered -

Which are devoid of any distinctive character, that is to say, not capable of distinguishing the goods or services of one person from those of another person.

Which consist exclusively of mark or indications which may serve in trade to designate the kind, quality, quantity, intended purpose, values, geographical origin or the time of production of the goods or rendering of the service or other characteristics of the goods or service.

Which consist exclusively of marks or indications, which have become customary in the current language or in the bona fide and established practices of the trade.

It is of such nature as to deceive the public or cause confusion.

It contains or comprises of any matter likely to hurt the religious susceptibilities of any class or section of the citizens of India.

It comprises or contains scandalous or obscene matter.

Its use is prohibited under the Emblems and Names (Prevention of Improper Use) Act, 1950.

Further, a mark shall not be registered as a trademark if it consists exclusively of—
the shape of goods which results from the nature of the goods themselves; or
the shape of goods which is necessary to obtain a technical result; or
the shape, which gives substantial value to the goods.

However, if a trademark before making an application has acquired distinctive character as a result of the use made of it or is a well-known trademark, the registration shall not be refused.

Limitation as to Colour:

A trademark may be registered either subject to limitation as to certain colours or any combination thereof, or without limitation of colour. In deciding the distinctive character of the trademark, the tribunal should take such limitation into consideration. If the trademark is registered without limitation of colour, it will be deemed to be registered for all colours.

Relative grounds for refusal of registration:

Registration of a trademark may be refused on some more grounds other than absolute grounds specified in Section 9 of the Act. In Section 11 the grounds mentioned are 'relative' in nature. It means the Registrar may also refuse registration if—

there is likelihood of confusion caused to the public including the likelihood of association with an earlier trademark by virtue of its identity with the earlier trademark and similarity of goods or services caused by the earlier trademark or by virtue of its similarity to an earlier trademark and identity or similarity of the goods or services caused by the earlier trademark;
the earlier trademark is well-known trademark in India and the later mark would take unfair advantage of the earlier mark or would be detrimental to the distinctive character or repute of the earlier trademark;
its use in India is liable to be prevented by virtue of any law of passing off protecting an unregistered trademark used in the course of trade or its use in India is liable to be prevented by virtue of law of copyright.

However, if the proprietor of the earlier trademark or proprietor of the earlier right consents to the registration of the later trademark, the same may be registered by the Registrar.

Further, a trademark shall not be refused on the above grounds unless objection is raised in opposition proceedings by the proprietor of the earlier trademark.

Honest and Concurrent use:

Under Section 12, the Registrar may permit the registration to more than one proprietor of the trademarks which are identical or similar, irrespective of an earlier registration in respect of one of them, on the ground of honest and concurrent use or other special circumstances.

How far the length of concurrent and uninterrupted user is required to claim the registration, was the issue addressed by Delhi High Court in *S. Mehar Singh v. M.C. Gupta & Co.* The Court narrated the following parameters :

the extent of use in time, quantity and the area of the trade;

the degree of confusion likely to ensue from the resemblance of the marks which is to a large extent indicative of the measure of public inconvenience;

the honesty and the concurrent use;

whether any instances of confusion have in fact been proved; and

the relative inconvenience which would be caused if the marks were registered.

But, if a person deliberately and knowingly uses a similar trademark which is already registered with a hope that it will also be registered on subsequent date, such a user cannot be considered as an honest and concurrent user.

Names of chemical elements or international non-proprietary names not registrable:

No word, which is commonly used and accepted name of any single chemical element or any single chemical compound (as distinguished from a mixture) in respect of a chemical substance or preparation, or which is declared by the World Health Organisation and notified in the prescribed manner by the Registrar from time to time, as an international non-proprietary name or which is deceptively similar to such name, shall be registered as a trademark.

Names and representations of living persons or persons who recently died -

Where an application is made for the registration of a trademark which falsely suggests a connection with any living person, or a person whose death took place within twenty years prior to the date of application for registration of the trademark, the Registrar may, before he proceeds with the application, require the applicant to furnish him with the consent in writing of such living person or, as the case may be, of the legal representative of the deceased person to the connection appearing on the trademark, and may refuse to proceed with the application unless the applicant furnishes the registrar with such consent.

The reason for excluding names of living or dead persons may be to avoid and prevent commercial use of such names on the ground of emotional, relationship of their family members.

Part B: Procedure for Registration (Sections 18 to 26)

Sections 18 to 26 of Trademarks Act, 1999 deal with procedure for registration.

Who can apply for TM:

Any person claiming to be the proprietor of a trademark used or proposed to be used by him, who is desirous of registering it, shall apply in writing to the Registrar in the prescribed manner for the registration of his trademark.

A single application may be made for registration of a trademark for different classes of goods and services and fee payable therefore shall be in respect of each such class of goods or services.

Place of filing application:

Every application shall be filed in the office of the Trademark Registry within whose territorial limits the principal place of business in India of the applicant is situated, or in the case of joint applicants the principal place of business in India of the applicant whose name is first mentioned in the application as having a place of business in India is situated.

Provided that where the applicant or any of the joint applicants does not carry on business in India, the application shall be filed in the office of the Trademarks Registry within whose territorial limits the place mentioned in the address for service in India as disclosed in the application, is situate.

Acceptance or refusal of application:

On receipt of application, the Registrar may accept or refuse to accept the application. But if he refuses to accept the application he will record the reasons for refusal. The application may be accepted with or without amendments, modifications, conditions and limitations.

However, if the Registrar, after acceptance of application, but before registration, finds that the application was erroneously accepted may withdraw the acceptance.

Advertisement of application (Section 20)

When an application for registration of a trademark has been accepted whether absolutely or subject to conditions or limitations, the Registrar shall, as soon as may be after acceptance, cause the application along with the conditions or limitations, if any, to be advertised in the prescribed manner.

The application is advertised in the Trademark Journal. The purpose of advertisement is to invite objections from interested persons whose trade interests are likely to suffer.

The Registrar may cause the application to be advertised before acceptance, if the trademark is devoid of any distinctive character or consists of only marks or indications or consists of marks or indications which became customary in the current language or trade practice.

Further if the trademark is deceptively similar or identical to another trademark, which may lead to confusion on the part of the public etc., then also the Registrar may cause the application to be advertised before acceptance.

Opposition of Application: (Section 21)

Any person may, within three months from the date of the advertisement or re-advertisement of an application for registration or within such further period, not exceeding one month in the aggregate, as the Registrar, on application made to him in the prescribed manner and on payment of the prescribed fee, allows, give notice in writing in the prescribed manner to the Registrar, of opposition to the registration.

The Registrar shall send the copy of notice to the applicant and the applicant is required to give his counter-statement within two months from the receipt of notice. If he fails to send counter-statement within two months period, it will be presumed that he has withdrawn the application.

When the third party prefers an opposition and the applicant files his counter-statement, they are required to produce any evidence to the Registrar, who should give an opportunity to both of them to be heard, if they so desire.

After considering their case, based on the application, opposition, counter-statement and oral representation etc., the Registrar should decide whether and subject to what conditions or limitations, if any, the registration is to be permitted or not.

Registration (Section 22)

After accepting application for registration and disposing the objections, if made by any relevant person, the Registrar shall register the said trademark with effect from date of application. After registering the trademark, the Registrar shall issue to the applicant a certificate in prescribed form.

One important point to be noted is that if on account of default on the part of applicant the whole process of registration could not be completed within twelve months, the Registrar may, after giving notice to the applicant, treat the application as abandoned. The purpose of imposing this time limit is to avoid delay and discourage non-serious and indolent applicants.

Effect of Registration:

The registration of a trademark is prima facie evidence of its validity. It however, facilitates a remedy which may be enforced and obtained throughout the State. Registration itself does not create a trademark. The trademark exists independently of the registration which merely affords further protection under the statute.

Infringement of Trade Marks

A trademark owner has the exclusive right either to use himself or assign it to others. If someone else uses the trademark when he is not authorised, amounts to infringement. Unauthorized use of trademark may be identical or deceptively similar to the original trademark.

Thus infringement of a trade mark occurs, if a person other than the registered proprietor in the course of trade, uses the same mark or a deceptively similar mark, for the same goods or services for which the mark is registered.

In case of registered trademark, the registered proprietor or registered user may take action against infringement. But in case of trademark which is not registered the common law remedy of passing off action is maintainable.

Infringement of Trademark:

A registered trade mark is infringed if it is used by a person other than the registered proprietor or other than the permitted user of such trade mark in the course of trade. The infringement occurs because the mark being so used is likely to cause confusion in the mind of public or is likely to cause impression that there is association of it with the registered trade mark.

Such confusion can also occur because of the similarity of such mark with the registered trade mark and even the identity or similarity of the goods or services for which the registered trade mark is used.

Infringement would also occur if such a person uses a mark which is used in relation to other goods and services - which are not similar to which the trade mark is registered.

Further, infringement would also occur if the registered trade mark has acquired a reputation in India and the use of such mark or a identical mark or similar mark and takes unfair advantage of it or causes detrimental to the reputation of the registered trade mark.

A registered trade mark is also infringed by a person who applies such trade mark to a material intended to be used for labelling or packaging goods, as a business paper or it is used for advertising goods or services.

Essential Conditions of Infringement:

In order to constitute infringement following requirements must be fulfilled -

The person is not authorized to use the trademark.

The infringing trademark is either similar or identical or deceptively similar to the already registered trademark.

The infringing trademark must be actually used in the course of regular trade.

The use of infringing trademark must be printed like in advertisement, invoices or bills etc. Mere oral use of trademark is not infringement.

Infringement occurs by using either whole of the registered trademark or by taking a few of any essential feature of the trademark or by making a few additions or alterations in already registered trademark.

Test for determining Infringement:

If the totality of impression of trademark is likely to cause confusion or deception in the mind of purchaser, it amounts to infringement.

Substantial (considerable and significant) charges of confusion by a substantial proof are the main test to find out whether the infringing mark is deceptively similar to the infringed mark.

The likelihood of confusion is sufficient and there is no need to prove that actual confusion has been caused. In other words deception, fraud or confusion on the part of infringer is essential requirement to determine infringement.

Common forms of Infringement:

A trademark can be infringed in different ways. Some commonly noticed forms of infringement are mentioned hereunder:

Using of mark identical or similar to registered trademark by unauthorized person in relation to similar or same trade.

Advertisement of registered trademark of another for promotion of one's trade also amounts to infringement.

A registered trademark is also infringed when a person makes unauthorized application of such trademark to a material intended to be used for labelling or packaging his goods.

A registered trademark is also infringed by the spoken use of words as well as their usual representation in cases where the distinctive elements of that mark consist of or include such work.

Use of deceptive similar mark as to goods or services and as to trade origin which results into confusion or deception in the mind of buyer.

Taking substantial features of already registered trademark which is in use, amounts to infringement,

Unauthorized use of registered trademark on reconditioned or second-hand articles may constitute infringement.

Unauthorized printing of label of registered trademark would also amount to infringement. If the label has copyright, it will cause infringement of copyright.

When the owner of trademark gets the goods manufactured by third party solely for mark, sale of goods bearing that mark by third party manufacturer to other persons would constitute infringement.

Burden/Onus to prove

Case: S. M. Dyechem Ltd. v. Cadbury (India) Ltd.

AIR 2000 SC 2114

It is well-settled that the plaintiff must prove that the essential features of his registered mark have been copied. The onus to prove 'deception' is on the part of the plaintiff who alleges infringement.

Effect of Acquiescence:

Sec. 33 contains provisions as to effect of acquiescence (consent). It provides that the proprietor of the earlier trade mark cannot contest (challenge) the validity of registration of a subsequent (later) trade mark, if he has acquiesced in the use of the subsequent trade mark for a continuous period of five years, unless he can prove that the registration of the subsequent trade mark was not obtained in good faith.

The proprietor of the later mark also is not entitled to oppose the use of the earlier trade mark.

Using a deceptively similar mark:

The infringement that deception or confusion has been caused may arise in the following ways -

Deception or confusion as to goods - A person may buy the goods seeing one mark thinking that it is the brand, which is in his mind, which in fact is not the case. This is the most common type of confusion or deception.

Deception or confusion as to trade origin (source) - A person looking at a mark may buy the goods thinking that it is coming from the same source as some other goods bearing a similar mark with which he is familiar. This is deception or confusion as to trade source.

Deception or confusion as to trade connection - A person looking at the mark may not think that it is the same as one with a different brand in his mind but the similarity may make him believe that the two are in some way or other connected with each other. The use of the mark might give rise to a belief in the purchasers' mind of there being some connection with the goods and the owner of the registered trade mark.

Degree of similarity and action for infringement:

The degree of similarity necessary to be deceptive cannot be measured in terms of any objective standard. The phrase itself has been defined in section 2(d) of the Act which shows that a mark shall be deemed to be deceptively similar to another mark when it so resembles the other mark as to be likely to deceive or cause confusion. This does not take the matter much further but it indicates the two ingredients of infringement viz, similarity and the likelihood of deception or confusion.

Further in an action for infringement:

the plaintiff must be registered owner of a trade mark,
the defendant must use a mark deceptively similar to the plaintiff's mark,
the use must be in relation to the goods in respect of which the plaintiff's mark is registered,
the use by the defendant must not be accidental but in the course of trade.

Illustrations of Infringement:

Addition:

Addition of extraneous matter, inconspicuous additions is infringement. If a person incorporates whole or part of a registered Trade Mark of another, the addition of other or matter would not save him from the charge of infringement.

Additions are sometimes made to the infringing mark which are either not easily visible or are so inconspicuous that they could be seen only by careful scrutiny which is not expected of an ordinary customer. The inconspicuous additions indicate fraudulent intention and trade mark would be struck down on grounds of infringement.

Use of registered trade mark along with a name other than that of registered proprietor constitutes infringement -

Use of trade mark of registered proprietor with the name other than of a registered user constitutes infringement.

Case: Levi v. Shah

1985 RFC 371,

The plaintiff had registered trademarks consisting of labels respectively coloured red, orange, white, black and blue sewn – “LEVI’S” also a registered trade mark was invariably added to the tabs. The defendants sold jeans and white tabs similar to the registered trade mark sewn into the pockets. It was held as a case of infringement.

Use on reconditioned or second hand articles:

The use of the plaintiff’s mark on reconditioned goods may constitute infringement even if it is clarified that goods are not original but only reconditioned.

Case: Rolls-Royce v. Dodd

1981 FSR 517,

The defendant, a motor engineer concerned with the repair of automatic gear boxes used in Rolls-Royce and Bentley Motor Cars, built a car having a grill similar to the plaintiff’s grill using plaintiff’s registered Trade Mark emblem and logo, the car also had Rolls-Royce engine. Defendant contended that he had built the car only to advertise his business and he was not selling cars. It was held to be an infringement and injunction was granted.

Certain acts not to constitute infringement of a registered trademark

Section 30 specifically excludes certain acts as not constituting infringement. They are -

Where the use -

is in accordance with the honest practice, and

is not to take unfair advantage or to be detrimental to the distinctive character or reputation of other trade mark.

A registered trade mark is not infringed -

Where the mark indicates the kind, quality, quantity, intended purpose, value, geographical origin etc. or other characteristics of goods or services;

Where a trade mark is registered - the use of such trade mark is in relation to such goods which are to be sold or traded in such place or country outside India where the registration does not extend;

Where the trade mark is used by a person -

in relation to the goods connected with the proprietor or registered trade mark, the registered proprietor or the registered user has -

confirmed the permitted use of the registered trade mark and has not subsequently removed or obliterate (eliminate) it, or

has expressly or impliedly consented to the use of the trade mark; or

in relation to the services connected with the proprietor or registered trade mark, the registered proprietor or the registered user has –

confirmed the permitted use and then applied the mark, and

the purpose and effect of use of such mark is to indicate, that those services have been performed by the proprietor or a registered user of the mark;

Where the use of a trade mark by a person in relation to goods, has been used without infringement,

if the use of the trade mark is reasonably necessary in order to indicate that the goods or services are so adapted (modified), and

neither the purpose nor the effect of the use of the trade mark is to indicate, a connection between any person and the goods or services;

Where the use of registered trade mark, which is identical or nearly resembles other, is in exercise of the right given by registration under this Act.

Suit for infringement -

Suit for infringement of a registered trade mark or suit relating to any right in a registered trade mark or for passing off arising out of the use by the defendant of any trade mark which is identical with or deceptively similar to the plaintiff's trade mark, whether registered or not shall not be instituted in any court inferior to a District Court having jurisdiction to try the suit.

Procedure followed -

The procedure followed in the disposal of the suit is as laid down in Code of Civil Procedure, 1908.

Period of Limitation -

Under the Limitation Act, 1963, the period of limitation for filing a suit for infringement of a trade mark is three years from the date of infringement.

Where the infringement is a continuing one, a new course of action arises every time an infringement occurs.

For instance - in a continued sale of infringing article, sale of each article would give rise to a fresh cause of action.

Who can sue for infringement -

The plaintiff in an infringement suit may be either:

The proprietor of the registered trade mark or his legal successor.

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.

An applicant for registration of a trade mark.

Legal heirs of the deceased proprietor of a trade mark.

Any one of the joint proprietors of a trade mark.

A foreign proprietor of a trade mark registered in India when infringement occurs in India.

Who can be sued?

The infringer who directly by his action causes infringement or who uses or contemplates or threatens to use a trade mark infringing the plaintiff's right.

The master responsible for his servant's act of infringement. He is to be made the defendant in such suit. For example, a worker who is engaged in the business of making fake labels is a servant of the master who orders the making of such labels. It is the master in such a case who is to be sued.

The agents of an infringer.

Directors and promoters of a limited company cannot be joined as co-defendants unless they have personally committed or directed infringing acts.

Remedies against Infringement of Trade Mark

To protect the registered Trade Mark, the following remedies can be resorted to -

Civil remedies,

Criminal proceedings,

Administrative remedies,

Forms of Relief:

Criminal Remedies:

Complaint may be made against the person causing infringement. Both the actions, under the civil law and criminal law can be initiated simultaneously. Under the civil law proceedings, the plaintiff seeks reliefs for himself while under the criminal law proceedings, the complainant seeks award of punishment to the infringer.

Administrative remedies:

Opposing the registration of a deceptively similar trade mark when the Trade Mark Registry is in the process of considering the grant of a trade mark, can protect the trade mark. The Registry can also be moved for removal of a deceptively similar trade mark, even if already registered.

Civil remedies

When instances (cases) of infringement occur, the court of competent jurisdiction (court not lower than District Court) can be moved for passing off, grant of interlocutory injunction, Anton Pillar Orders, Damages and Account of Profits.

Passing off:

Passing off is a form of tortious action. The law of passing off is based on common law, and has remained substantially the same. The sole object of passing off is to protect the goodwill and reputation of a business from encroachment by dishonest competitors.

The passing-off action arose in the 19th century and depends upon the simple principle that “nobody has any right to represent his goods as the goods of somebody else”.

The Supreme Court has defined the term – “passing-off is said to be species of unfair trade competition or of actionable unfair trading by which one person, through deception attempts to obtain an economic benefit of the reputation, which other has established for himself in a particular trade or business”.

The action is regarded as an action for deceit.

The commonest forms of the tort are imitating the get-up or appearance of the plaintiff's goods or selling them under the same name or similar name.

The tort of passing-off involves a misrepresentation made by a trader to his prospective customers to injure, the business or goodwill of another which actually or probably, causes damage to the business or goodwill of the other trader.

Characteristics of Passing-off:

The characteristics of passing-off are discussed and explained in a number of English and Indian cases. However five characteristics have been stated -

Misrepresentation;

made by a person in the course of trade,

to prospective customers of goods or services supplied by him,

which was designed to injure business or goodwill of another trader, and

which caused actual damage to a business or goodwill of a trader by whom the action was brought.

Thus an action for passing off suggests that the defendant is to be restrained from using its goods or services to the public as that of plaintiff's. It is an action not only to preserve the reputation of the plaintiff but also to safeguard the public.

It prevents the likelihood of confusion in the mind of the public that goods or services offered by the defendant are the goods or the services of the plaintiff.

Case: Baker Hughes Ltd. v. Hiroo Khushalani (2000) 102 Comp Cas. 203 (Del)

The Delhi High Court held that the plaintiff in an action for passing-off must establish the following elements:

the plaintiff has acquired a reputation or goodwill in his goods, name or mark;

a misrepresentation, whether intentional or unintentional, which proceeds from the defendant by the use of the name or mark of the plaintiff and which leads or is likely to lead the purchaser into believing that

the goods or services offered by the defendant are the goods and services of the plaintiff, or that the goods or services offered by the defendant are the result of the association with the plaintiff;

the plaintiff has suffered or is likely to suffer damage due to defendant's representation.

These three elements of passing off action namely the reputation of goods, possibility of deception and possibility of damage have been approved by the Apex Court

Injunction:

An injunction is a judicial process or order restraining a person from continuing with wrongful act. The general rules governing the grant of injunction are contained in sections 36 to 42 of the Indian Specific Relief Act, 1963 and Order XXXIX Rules 1 & 2 and Section 151 of the Code of Civil Procedure, 1903.

Where the acts of infringement are of such a nature that they are not likely to be repeated, the Court instead of granting an injunction may pass an order that the plaintiffs having established infringement of their trade mark will be at liberty to apply for an injunction, should such an occasion arise.

Injunction may be of the following types:—

- (a) Mareva Injunction
- (b) Interlocutory Injunction
- (c) Perpetual Injunction.

These are explained below:

Mareva injunction -

In such an order the Court has power to freeze defendant's assets where there exists a probability of the assets being dissipated or cancelled so as to make a judgement against him worthless and un-enforceable.

Interlocutory injunction -

This form of injunction is the most commonly sought and most often granted form of injunction. It serves to take action against defendant on the basis of past infringement. The interlocutory injunction is an order restraining the defendant from continuance of the acts which amount to infringement. An interlocutory injunction serves the purpose of preventing further infringement.

An interlocutory/interim injunction may be granted ex parte that is without notice in cases of urgency. Such ex parte injunction is however granted for a limited period only.

The plaintiff in seeking an ex parte interim injunction has to discharge the duty of making full disclosure to the Court of all facts which are material to the exercise of the Court's discretion whether or not to grant the relief. The Court may reject the application of an ex parte injunction on the ground that the disclosure has not been made fully and truly by the applicant.

Grant of interim/interlocutory injunction is discretionary, the plaintiff or the applicant cannot claim it as a matter of right to have an ex parte order granted in his favour.

Perpetual injunction -

Perpetual injunction is an order restraining the defendant totally, for all times to come, from doing any act which infringes the rights of the proprietor of the Trade Mark. Perpetual injunction is generally granted when the suit is finally decided. Perpetual injunction usually follows when the grant of interim injunction against infringement was granted at the beginning of the suit. It can be granted also in cases where no interim injunction was granted.

Anton piller order

These are ex parte orders to inspect defendant's premises. A court may grant such an order to the plaintiff where there is a possibility of the defendant destroying or disposing of the incriminating material. Such an order is for inspection of the premises of the defendant.

An ex parte order means an order passed on the application of the plaintiff without giving the defendant a notice of the application. Such a notice would enable the defendant to tamper with the evidence of his infringement; hence ex parte order.

Case: E.M.I v. Kishorilal

1976 RPC 333,

It was held that such an order may authorize samples to be taken or experiment to be made on or with any property which is the subject-matter of the action.

The three conditions requisite for making an order are:

There must be a strong prima facie case in favour of the plaintiff.

Such an order if not granted will cause irreparable damage to the applicant for injunction.

There must be clear evidence that the defendants have in their possession incriminating documents or things and that there is a real possibility that they may destroy such material if any notice of application is served.

Damages, Account of Profits

The plaintiff in an action for infringement may be granted either damages or an account of profits but not both. In an account of profits the infringer is required to give up his ill-gotten gains in favour of the plaintiff whose rights he has infringed.

In case of damages the defendant has to compensate the plaintiff. The damages may even be more than the monetary profits reaped by the defendant by the misuse of the plaintiff's mark.

The quantum of damages awarded is determined by the quantum of loss actually sustained by the plaintiff which was the natural and direct consequence of the unlawful acts of the defendant. Speculative and unproven damages are also not considered in determining the quantum of damage.

In calculating the account of profits, the damage suffered by the plaintiff is immaterial. The account of profit, is made on the basis of actual profits, the defendant has made out of the sale of infringing goods.

Conclusion:

Chapter:

Assignment and Transmission of Trademark

Introduction

Like other forms of intellectual properties, trademark is also capable of being transferred i.e. it can be assignable and transmissible. The owner of trademark can assign with or without goodwill his trademark to another person on receipt of consideration. Similarly, a trademark can be transmitted to the successor of the owner upon his death or by operation of law.

Assignment and Transmission (Sections 37-45)

Assignment - means a transfer of a claim of right or a property in trademark by execution of assignment deed in writing.

Transmission - means transmission by operation of law, devolution on the personal representative of a deceased person and any other mode of transfer, not being an assignment.

Section 37 of the Act - empowers the registered proprietor to assign the trademark for any consideration for such assignment.

However, it should be made clear that mere permission to use trademark will not amount to assignment of trademark.

Assignment of an unregistered Trademark

An unregistered trademark can be assigned with or without the goodwill of business concerned.

In an unregistered trademark which has been used is assigned without the goodwill of business, the assignee (transferee) will not be able to protect the trademark since there is absence of the goodwill of business and no action for passing off will lie. However, criminal prosecution may be available.

Conditions of Assignment

The assignment of trademark must be in writing and specify the conditions and limitations to which the assignment is subject to. The assignment otherwise than the goodwill of a business will not be effective unless the assignee applies for direction with respect to the advertisement of the assignment within six months of the assignment.

Restriction on Assignment and Transmission

If the assignment or transmission results in the availability of exclusive right in more than one person to the use of the trademark in relation to the goods or services or description on goods or services which are associated with each other or if the use of the trademark is likely to deceive or cause confusion having regard to similarity of goods or services and of the trademark, such an assignment or transmission is not permissible. However, if the exclusive rights are exercised for sale or export of goods outside India, the Registrar may grant certificate of validity of assignment.

Similarly, if the assignment results in the availability to one of the persons, the exclusive rights to the use of trademark limited to use in relation to goods to be sold or traded in any place in India and to result in availability to another person to the use of nearly resembling that mark or identical mark limited to use in any other place in India, same will not be permissible unless the Registrar is satisfied that such assignment or transmission is not contrary to public interest.

A certification trademark shall not be assignable or transmissible otherwise than with the consent of Registrar.

Associated trademark shall be assignable and transmissible only as a whole and not separately. But subject to provisions of the Act, they shall for all other purposes, be deemed to have been registered as separate trademark.

Registration of Assignment and Transmission:

Registration of assignment and transmission with Registrar is necessary. The person in whose favour assignment or transmission is made will make an application to the Registrar for registration of assignment or transmission as the case may be. The Registrar shall, on receipt of application and on proof of title to his satisfaction, register the person as the proprietor of trademark in respect of goods or services in respect of which the assignment or transmission has been effected.

Case: Ratansi Mulsi v. Vinod Ratilal Gandhi

The Bombay High Court has held that it is abundantly clear that without registration of the assignment or transmission, no rights can be pleaded on the ground that trademark has been assigned or transmitted.

Case: CCE v. Vikshara Trading and Investment (P) Ltd.

The Supreme Court has held that in case of non-registration of assignment of a registered trademark, if on facts it is amply proved that assignment has taken place,, mere non-registration of assignment will not vitiate the effect of assignment. It is submitted that the judgment in this case has diluted the effect of Section 45.

Conclusion:

Thus it is clear that Act permits assignment and transmission of trademark, both registered and unregistered. But the assignment is subject to certain conditions and the deed of assignment should be registered with Registrar.

Module 4

Design means

A Design refers to the features of shape, configuration, pattern, ornamentation or composition of lines or colours applied to any article, whether in two or three dimensional (or both) forms. This may be applied by any industrial process or means (manual, mechanical or chemical) separately or by a combined process, which in the finished article appeals to and judged solely by the eye.

Design does not include

any mode or principle of construction or anything which is mere mechanical device. It also does not include any trade mark or any artistic work. An industrial design registration protects the ornamental or aesthetic aspect of an article. Designs may consist of three-dimensional features, such as the shape or surface of an article, or of two dimensional features, such as patterns, lines or color. Designs are applied to a wide variety of products of different industries like handicrafts, medical instruments, watches, jewelry, house wares, electrical appliances, vehicles and architectural structures. An industrial design is primarily for aesthetic features.

Design law in India

The essential purpose of design law is to promote and protect the design element of industrial production. It is also intended to promote innovative activity in the field of industries. The Designs Act, 2000 and the Designs Rules, 2001 presently govern the design law in India.

Need for registration of Design

The registration of a design confers upon the registered proprietor the exclusive right to apply a design to the article in the class in which the design has been registered. A registered proprietor of the design is entitled to a better protection of his intellectual property. He can sue for infringement, if his right is infringed by any person. He can license or sell his design as legal property for a consideration or royalty. Registration initially confers this right for ten years from the date of registration. It is renewable for a further period of five years. If the fee for extension is not paid for the further period of registration within the period of initial registration, this right will cease. There is provision for the restoration of a lapsed design if the application for restoration is filed within one year from the date of cessation in the prescribed manner.

Essential requirements for registration of Design A design should –

- Be new or original
- Not be disclosed to the public anywhere by publication in tangible form or by use or in any other way prior to the filing date, or where applicable, the priority date of the application for registration.
- Be significantly distinguishable from known Designs or combination of known designs.
- Not comprise or contain scandalous or obscene matter.
- Not be a mere mechanical contrivance.
- Be applied to an article and should appeal to the eye
- Not be contrary to public order or morality.

Exclusion from scope of Design Designs

that are primarily literary or artistic in character are not protected under the Designs Act. These will include:

- Books, jackets, calendars, certificates, forms-and other documents, dressmaking patterns, greeting cards, leaflets, maps and plan cards, postcards, stamps, medals.
- Labels, tokens, cards, cartoons.
- Any principle or mode of construction of an article. 78
- Mere mechanical contrivance.
- Buildings and structures.
- Parts of articles not manufactured and sold separately.

- Variations commonly used in the trade.
- Mere workshop alterations of components of an assembly.
- Mere change in size of article.
- Flags, emblems or signs of any country.
- Layout designs of integrated circuits.

The person Who can apply for registration

Any person or the legal representative or the assignee can apply separately or jointly for the registration of a design. The term "person" includes firm, partnership and a body corporate. An application may also be filed through an agent in which case a power of attorney is required to be filed. An Application for registration of design may be prepared either by the applicant or with the professional help of attorneys.

Register of Design

The Register of Designs is a document maintained by the Patent Office, Kolkata as a statutory requirement. It contains the design number, date of filing and reciprocity date (if any), name and address of proprietor and such other matters as would affect the validity of proprietorship of the design such as notifications of assignments and of transmissions of registered designs, etc. and it is open for public inspection on payment of prescribed fee and extract from register may also be obtained on request with the prescribed fee.

Procedure for submission of application of registration

Any person who desires to register a design is required to submit the following documents to the Design Wing of the Patent Office at "Intellectual Property Office", CP-2, Sector V, Salt Lake, Kolkata - 700 091 or any of the Branch Offices of the Patent Office at Delhi, Mumbai and 79 Chennai.

The applications received by the Branch Offices will be transmitted to the Head Office for processing and prosecuting.

- Application duly filed in on the prescribed form (Form-I) along with the prescribed fees, stating name in full, address, nationality, name of the article, class number, address for service in India. The application should also be signed either by the applicant or by his authorized agent.
- Representation (in quadruplicate of size 33 cm x 20.5 cm with a suitable margin) of the article. Drawings \ sketches should clearly show the features of the design from different views and state the view (e.g. front or Side).
- A statement of novelty and disclaimer (if any) in respect of mechanical action, trademark, work, letter, numerals should be endorsed on each representation sheet which should be duly signed and dated.
- Power of attorney (if necessary).
- Priority documents (if any) in case of convention application claimed under Section 44 of the Designs Act, 2000.

Cancellation of registration of Design

The registration of a design may be cancelled at any time after the registration of design on a petition for cancellation in form 8 with a fee of Rs. 1,500/-to the Controller of Designs on the following grounds:

1. That the design has been previously registered in India or
2. That it has been published in India or elsewhere prior to date of registration or
3. The design is not new or original or
4. Design is not registrable or
5. It is not a design under Clause (d) of Section 2.

Piracy of registered design

During the existence of copyright over any design, other persons are prohibited from using the design except or with the permission of the proprietor, his licensee or assignee. The following activities are considered to be infringement.

- To apply the design or any fraudulent imitation of it to any article for sale;
- To import for sale any article to which the design or fraudulent or obvious imitation of it, has been applied;
- To publish or to expose for sale knowing that the design or any fraudulent or obvious imitation of it has been applied to it.

Module 5

GEOGRAPHICAL INDICATIONS OF GOODS

Geographical Indications of Goods are defined as that aspect of industrial property which refers to the geographical indication referring to a country or to a place situated therein as being the country or place of origin of that product.

Geographical Indication is

- ∅ It is an indication
- ∅ It originates from a definite geographical territory
- ∅ It is used to identify agricultural, natural or manufactured goods
- ∅ The manufactured goods should be produced or processed or prepared in that territory.
- ∅ It should have a special quality or reputation or other characteristics

Examples of Indian Geographical Indications –

- ∅ Solapur Chaddar
- ∅ Solapur Terry Towel
- ∅ Basmati Rice
- ∅ Darjeeling Tea
- ∅ Kanchipuram Silk Saree
- ∅ Alphonso Mango
- ∅ Nagpur Orange

Laws relating to Geographical Indication of Goods

Geographical Indications of Goods (Registration and Protection) Act, 1999 and The Geographical Indications of Goods (Registration and Protection) Rules, 2002 deal with registration and better protection of geographical indications relating to goods. The primary purpose of this Act is to provide legal protection to Indian Geographical Indications which in turn boost exports. Registration of Geographical indication promotes economic prosperity of producers of goods produced in a geographical territory. According to the Act, the term 'geographical indication' (in relation to goods) means "an indication which identifies such goods as agricultural goods, natural goods or manufactured goods as originating, or manufactured in the territory of a country, or a region or locality in that territory, where a given quality, reputation or other characteristic of such goods is essentially attributable to its geographical origin and in case where such goods are manufactured goods, one of the activities of either the production or of processing or preparation of the goods concerned takes place in such territory, region or locality, as the case may be".

Registration of Geographical Indication

The registration of a geographical indication is not compulsory; however, it offers better legal protection to facilitate an action for infringement. The registered proprietor and authorized users can initiate infringement actions. The authorized users can exercise the exclusive right to use the geographical indication. The registration of a geographical indication is valid for a period of 10 years.

It can be renewed from time to time for further period of 10 years each. If a registered geographical indication is not renewed it is liable to be removed from the register.

Procedure for Filing application for registration of Geographical Indication

I. Form and signing of application

1. Every application for the registration of a geographical indication should be made in the prescribed form (GI-1A to ID) accompanied by the prescribed fee (Rs.5,000).
2. It should be signed by the applicant or his agent.
3. It must be made in triplicate along with three copies of a Statement of Case accompanied by five additional representations.

II. Fees

1. Fees may be paid in cash or sent by money order or by a bank draft or by a cheque.
2. Bank Drafts or cheques should be crossed and be made payable to the Registrar at the appropriate office of the Geographical Indication Registry.
3. It should be drawn by a scheduled bank at the place where the appropriate office of the Geographical Indications Registry is situated.
4. Where a document is filed without fee or with insufficient fee such document will be deemed to have not been filed.

III Signing of documents

1. In case of - i. An association of persons or producers shall be signed by the authorized signatory. ii. A body corporate or any organization or any authority established by or under any law for the time being in force shall be signed by the Chief Executive, or the Managing Director or the secretary or other principal officer. iii. In case of partnership it shall be signed by at least one of the partners.
2. The capacity in which an individual signs a document should be stated below his signature.
3. Signatures should be accompanied by the name of the signatory in English or in Hindi and in capital letters.

IV. Form and signing of application

1. Every application for the registration of a geographical indication should be made in the prescribed form (GI-1A to ID) accompanied by the prescribed fee .
2. It should be signed by the applicant or his agent.
3. It must be made in triplicate along with three copies of a Statement of Case accompanied by five additional representations.

V. Principal place of business in India

1. Every application for registration of a G.I should state the principal place of business in India. 2. A body corporate should state the full name and nationality of the Board of Directors. 3. Foreign applicants and persons having principal place of business, in their home country should furnish an address for service in India. 88 4. In the case of a body corporate or any organization or authority established by or under any law for the time being in force, the country of incorporation or the nature of registration, if any, as the case may be should be given.

VI. Convention Application should contain the following

1. A certificate by the Registry or competent authority of the Geographical Indications Office of the convention country.
2. The particulars of the geographical indication, the country and the date or dates of filing of the first application.
3. The application must be the applicants' first application in a convention country for the same geographical indications and for all or some of the goods.
4. The application must include a statement indicating the filing date of the foreign application, the convention country where it was filed, the serial number, if available.

VII. Statement of user in applications An application to register a geographical indication should contain a statement of user along with an affidavit.

VIII. Content of Application Every application should be made in the prescribed forms and shall contain the following :

1. A statement as to how the geographical indication serves to designate the goods as originating from the concerned territory in respect of specific quality, reputation or other characteristics.
2. The three certified copies of class of goods to which the geographical indication relates.
3. The geographical map of the territory.
4. The particulars of the appearance of the geographical indication words or figurative elements or both;
5. A statement containing such particulars of the producers of the concerned goods proposed to be initially resisted. Including a collective reference to all the producers of the goods in respect of which the application is made.
6. The statement contained in the application should also include the following: An affidavit as to how the applicant claim to represent the interest of the association of persons or producers or any organization or authority established under any law; The standard benchmark for the use of the geographical indication or the industry standard as regards the production, exploitation, making or manufacture of the goods having specific quality, reputation or other characteristic of such goods that is essentially attributable to its geographical origin with the detailed description of the human creativity involved, if any or other characteristic; The particulars of the mechanism to ensure that the standards, quality, integrity and consistency or other special characteristic are maintained by the producers, or manufacturers of the goods; Three certified copies of the map of the territory, region or locality; The particulars of special human skill involved or the uniqueness of the 90 geographical environment or other inherent characteristics associated with the geographical indication; The full name and address of the association of persons or organization or authority representing the interest of the producers of the concerned goods; Particulars of the inspection structure; In case of a homonymous indication, the material factors differentiating the application from the registered geographical indications and particulars of protective measures adopted.
7. Acknowledgement of receipt of application:
 1. Every application of the registration of a geographical indication in respect of any goods shall, on receipt be acknowledged by the Registrar.
 2. The acknowledgement will be by way of return of one of the additional representations with the official number of the application duly entered thereon.

Infringement of Geographical Indication

A registered geographical indication is infringed if an unauthorized user uses it to indicate or suggests that certain goods originate from a geographical area other than the true place of origin in a manner which misleads the public as to the geographical origin of the goods, or when use of the geographical indication results in unfair competition. This includes passing off in respect of a registered geographical indication, or when the use of another geographical indication results in false representation to the public that goods originate from a territory in respect of which there is a registered geographical indication. The registered proprietor or the authorized users of a registered geographical indication can initiate an infringement action.

Module 6

The protection of other types of IPR in India

SEMICONDUCTOR INTEGRATED CIRCUITS LAYOUT-DESIGN

Semiconductor Integrated Circuit means a product having transistors and other circuitry elements, which are inseparably formed on a semiconductor material or an insulating material

or inside the semiconductor material and designed to perform an electronic circuitry function. The layout-design of a semiconductor integrated circuit means a layout of transistors and other circuitry elements and includes lead wires connecting such elements and expressed in any manner in semiconductor integrated circuits.

Semiconductor Integrated Circuits Layout-Design (SICLD) Act, 2000

The Semiconductor Integrated Circuits Layout-Design Act, 2000 was passed to fulfill India's obligations as a TRIPS signatory. It provides protection for semiconductor Integrated Circuit layout designs. The main purpose of the Act is to provide for routes and mechanism for protection of IPR in Chip Layout Designs created and matters related to it. The important provisions of the Act are –

- Jurisdiction to the whole of India;
- SICLD Registry - where the layout-designs of integrated circuit chips can be registered;
- Defines layout-designs of integrated circuits which can be registered under the Act;
- Duration of registration of layout-designs; • Rights conferred by registration; • Infringement of layout-designs; 92 • Procedure for assignment and transmission of registered layout- design;
- Appellate Board as a forum of redressal; • Treatment of Royalties; • Provisions in case of national emergency or extreme public urgency; • Penalties; • Provision for agents; • Reciprocity provision with other recognized countries.

BIOLOGICAL DIVERSITY

India has been a party to the Convention on Biological Diversity since 5th June 1992 and ratified the Convention on 18th February 1994. The Convention on Biological Diversity is one of the most broadly subscribed international environmental treaties in the world. Opened for signature at the Earth Summit in Rio de Janeiro Brazil in 1992, it currently has 189 Parties - 188 States and the European Community - who have committed themselves to its three main goals: the conservation of biodiversity, sustainable use of its components and the equitable sharing of the benefits arising out of the utilization of genetic resources. The Secretariat of the Convention is located in Montreal, Canada. India is also a signatory to Cartagena Protocol on Biosafety signed on 23rd January 2001 and ratified on 11th September 2003.

Biodiversity Act, 2002

India enacted The Biological Diversity Act, 2002 and The Biological Diversity Rules, 2004 to fulfill its commitments in the Convention on Biological Diversity and in the Cartagena Protocol on Biosafety. Various states have also enacted state specific Biological diversity rules namely - Kerala Biological Diversity Rules, 2005; Sikkim State Biological Diversity Rules, 2006; Nagaland Biological Diversity Rules, 2010; Rajasthan Biological Diversity Rules, 2010; A.P. State Biological Diversity Rules, 2009, West Bengal Biological Diversity Rules, 2005; U.P. State Biodiversity Rules, 2010; Maharashtra Biological Diversity Rules, 2008 etc.

The Biodiversity Act - 2002 primarily addresses access to genetic resources and associated knowledge by foreign individuals, institutions or companies, to ensure equitable sharing of benefits arising out of the use of these resources and knowledge to the country and the people. The Act has specific provisions about ownership of intellectual property rights associated with exploitation of biodiversity. Industries have to obtain prior consent of the National Biodiversity Authority before exploring the biodiversity in India. In the event of R&D based on exploitation of biodiversity and associated local knowledge, there is a provision for sharing of benefits of such work with the local community. No direct flow of funds is expected to the community.

Instead the Union Government will reach the benefits through State Governments to the community.

The Biological diversity Act of 2002 contains 65 sections under 12 chapters while the Biological Diversity Rules of 2004 consists of 24 rules and one schedule. According to Section 2(b) of the Biological Diversity Act, 2002 "Biological Diversity means the variability among living organisms from all sources and the ecological complexes of which they are part and includes diversity within species or between species and of eco-systems."

PROTECTION OF PLANT VARIETIES AND FARMERS RIGHTS

A plant variety represents a more precisely defined group of plants, selected from within a species, with a common set of characteristics. The Protection of Plant Varieties and Farmers' Right Act, 2001 has been enacted to provide for the establishment of an effective system for protection of plant varieties, the rights of farmers and plant breeders and to encourage the development of new varieties of plants.

The objectives of the Act are:

- to establish an effective system for protection of plant varieties, the rights of farmers and plant breeders and to encourage the development of new varieties of plants;
- to recognize and protect the rights of the farmers in respect of their contribution made at any time in conserving, improving and making available plant genetic resources for the development of new plant varieties;
- to protect plant breeders' rights to stimulate investment for research and development both in the public and private sector for development of new plant varieties;
- to facilitate the growth of seed industry in the country that will ensure the availability of high quality seeds and planting material to the farmers.

According to the Act, the term 'variety' means "a plant grouping except micro organism within a single botanical taxon of the lowest known rank, which can be:-

- (i) defined by the expression of the characteristics resulting from a given genotype of that plant grouping;
- (ii) distinguished from any other plant grouping by expression of at least one of the said characteristics; and
- (iii) considered as a unit with regard to its suitability for being propagated, which remains unchanged after such propagation; and includes propagating material of such variety, extant variety, transgenic variety, farmers' variety and essentially derived variety".

Duration of protection of a registered plant variety

The duration of protection of registered varieties is different for different crops which are as below: 1. For trees and vines - 18 years. 2. For other crops - 15 years. 3. For extant varieties - 15 years from the date of notification of that variety by the Central Government under section 5 of the Seeds Act, 1966.

UNDISCLOSED INFORMATION

A Trade Secret or undisclosed information is any information that has been intentionally treated as secret and is capable of commercial application with an economic interest. It protects information that confers a competitive advantage to those who possess such information, provided such information is not readily available with or discernible by the competitors. They include technical data, internal processes, methodologies, survey methods, a new invention for which a patent application has not yet been filed, list of customers, process of manufacture, techniques, formulae, drawings, training material, source code, etc. It therefore becomes imperative to strengthen the confidentiality around the trade secret by ensuring that contractual obligations are enforced on persons who are allowed to use the trade secret, especially, when it is licensed to a third party.