

2021 SEPTEMBER ISSUE







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IP AWARENESS

SINGHANIA & PARTNERS LLP AND IP AWARENESS WORKSHOPS IN SEPTEMBER 2021

Bhawna Sharma, Head - Patent & Designs, discussed regarding relevance of Freedom to Operate (FTO) Analysis for the start-ups and companies, the important steps involved in conducting FTO Analysis, challenges and issues related to FTO, in an IP Sensitization Webinar organized by Innovation-Technology Transfer Office (iTTO) and National Productive Council (NPC) on 01st September 2021.

Bhawna also interacted with Students, Faculty members and Entrepreneurs in an IP Workshop organized by PHD Chambers of Commerce and Industry and Hindustan College of Management and Computer Sciences (HIMCS) which is a constituent unit of Sharda Group of Institutions (SGI) on 16th September 2021.

In another IP Sensitization program along with the iTTO and IPSTE Academy 21st September 2021, Bhawna addressed on "Patent Filings During COVID Times".

PATENTS

PATENT (AMENDMENT) RULES, 2021ⁱ

Recently, the Government of India has enforced the Patents (Amendment) Rules, 2021 (Rules). The Rules has introduced reduced official fee for the Educational Institutes, akin to Start-Ups and Small- Scale Entities, which is almost 80% less than that applicable for other large entities.





The main objective of this amendment is to promote innovations among the Educational Institutes and facilitate the patent protection for such innovations.

with the accordance Rules an "Educational Institution" "a means university established or incorporated by or under Central Act, a Provincial Act, or a State Act. and includes any educational institution as recognized by an authority designated by the Central Government or the State Government or the Union territories in this regard". Earlier before enactment of the Rules, the Educational Institutions were paying official fee in the capacity of large entity

The said Rules can be accesses at below mentioned link: <u>Patent (Amendment) Rules</u>, 2021.

DESIGNS

HIGH COURT OF DELHI GRANTED INJUNCTION IN FAVOUR OF RELAXO FOOTWEARS LIMITED¹¹

The High Court of Delhi (Court) has passed an order against M/s Nikhil Footwears (Defendant). The Court injuncted the Defendant from manufacturing, selling, offering for sale, advertising, importing, exporting the products (Impugned Product) for which copyright in designs under the Designs Act, 2000 has already been granted to M/s Relaxo Footwears Limited (Plaintiff). The bone of contention of the Plaintiff was that the Defendant unlawfully dealing with manufacturing and trading of the footwear under the trademark 'Action', having similar

design and trade dress as registered and adapted by the Plaintiff for their footwear.

The Defendant were selling and trading the Impugned Product as Action Footwear Private Limited, using the trademark 'Action' and domain name 'actionshoes.com'. It was also observed by the Plaintiff, that the Defendant was trading as multiple companies, to commit unlawful acts and escape any liabilities and legal actions. The Legal Notices (Notice) were issued to the Defendant's Action Footwear Private Limited by the Plaintiff. The Defendant, while denying the allegations in response to the Notice, mentioned that it would continue to market its product under the trademark 'Action'.

The Court opined that a prima facie case made out by the Plaintiff, therefore an interim injunction was passed in favor of the Plaintiff and the Defendant was restrained from trading the Impugned Product.

TRADEMARKS

PIDILITE GRANTED AD INTERIM RELIEF AGAINST THE USAGE OF TRADEMARKS SIMILAR TO THAT OF "FEVICOL", "SH", "MARINE" AND "D3" BY THE DEFENDANT^{III}

Pidilite Industries Limited (**Plaintiff**), is a well-known manufacturer of various adhesives and other related products sold under the trademarks like "FEVICOL", "FEVIKWIK", "M-SEAL", "DR. FIXIT", "FEVISTIK" etc. along with the device mark of two elephants pulling in opposite directions of a globe-like object, intended to convey the





strength of the adhesive qualities of its products.

The Plaintiff filed a suit before the High Court of Bombay (Court) against Saathi Adhesives Pvt Ltd. (Defendant) alleging infringement of trademarks "FEVICOL", "SH", "MARINE", and "D3". The Plaintiff found out that a range of adhesive products were sold by the Defendant under the marks "SAATHICOL", "SSH", "MARINE", "D3" and "D3-GOLD", which were similar to the trademarks of the Plaintiff. With regards to the trademark "SAATHICOL", the Defendant stated that they obtained the registration of device mark including the "SAATHICOL" without a separate registration of the word mark.

The question arose that whether one registered proprietor can obtain an order of injunction on the cause of infringement against another registered proprietor, and the statute clearly states that it cannot. The law is equally settled that the relief in passing off, being a common law remedy, is always available even against the registered proprietor.

Hence, the case of the Plaintiff against Defendant's trademark "SAATHICOL" was dealt in a different manner by the Court as compared to the other marks, as the trademark "SAATHICOL" was registered in favor of the Defendant. The Plaintiff thereby sought an order of injunction, wherein the Court granted an ad-interim injunction restraining the Defendant from using any marks deceptively similar to the Plaintiff's registered trademarks 'FEVICOL', 'SH',

'MARINE', and 'D3' marks and it was stated that:

- "SSH" was undoubtedly phonetically, structurally and visually similar to Plaintiff registered trademark "SH";
- no distinction between "MARINE" trademark of the Defendant when compared with the Plaintiff's trademark "MARINE", used in relation to adhesives;
- the argument of the Defendant regarding the descriptive nature of the Plaintiff's trademark "MARINE" was stated to have no purpose as the same has not been removed from the register;
- no distinction between "D3"/"D3-GOLD" and the Plaintiff's trademark "D3", as the Defendant's trademark has only a minor variant that did not provide sufficient distinctiveness;
- the issue of the mark "SAATHICOL" was taken in terms of passing off.

HIGH COURT OF CALCUTTA PASSED AN INTERIM INJUNCTION IN FAVOR OF SALT LAKE SOCIETY FOR HOTEL MANAGEMENT AGAINST THE USAGE OF THE MARK "IIHM", BY THE DEFENDANT^{IV}

Salt Lake Society for Hotel Management (Plaintiff) filed a suit for trademark infringement and passing off against Gazi Murshidul Arefin and others (Defendant) before High Court of Calcutta (Court). It was submitted by the Plaintiff that the Defendant was running a similar line of business as that of the Plaintiff as both have a hotel and catering management school at Salt Lake, Kolkata. The Plaintiff stated that





they have been carrying on the said business under the name and style of "INTERNATIONAL INSTITUTE OF HOTEL MANAGEMENT" and that the Defendant has been carrying on business under the name and style of "INDIAN INSTITUTE OF HOTEL MANAGEMENT".

Further, the Plaintiff contended that they have been using the trademark "IIHM" mark since 1994, which was filed under classes 35 and 41. The Plaintiff also holds registration of the domain name iihm.ac.in, with an acquired goodwill and reputation in the market. The Defendant had published an advertisement which contained the domain name iihmkolkata.com along with the Plaintiff' logo "IIHM" with a different font style and size in order to take advantage of the Plaintiff's goodwill.

The Plaintiff also stated that in 2010, the Defendant was restrained by the court from using the trademark "IIHM" and the Defendant continued to use the same, disregarding the court order. The contempt proceedings were filed by the Plaintiff against the action of the Defendant.

The Defendant contended that the Plaintiff instituted the present suit after a lapse of more than five years from the date when the initial cause of action had arisen and stated that the present suit was a circumlocutory attempt to restrain the Defendant. The Defendant also highlighted that, the Plaintiff and the Defendant were business rivals and that, the Plaintiff was trying to resist the growth prospects of the business. The Defendant also stated that the Plaintiff's

trademarks were registered as device marks without having separate registration for each of the design elements or for the abbreviation separately.

The Court held that a prima facie case has been made by the Plaintiff. Accordingly, the Court stated that the Plaintiff and the Defendant were engaged in the similar type of business of educational institutes and that the logo used by the Defendant on the uniform and bags of the students was deceptively similar to that of the logo used by the Plaintiff. Further, the Court stated that the existing domain names of the Plaintiff and the Defendant were strikingly similar and that the Defendant used a domain name similar to that of the Plaintiff's, in order to pass off the services of Defendant as that of the Plaintiff.

HIGH COURT OF DELHI PASSED AN INTERIM INJUNCTION AGAINST THE USE OF 'RAJDHANI MASALA'

Victoria Foods (Plaintiff) filed a suit in the High Court of Delhi (Court), against Rajdhani Masala & Co. (**Defendant**) for an injunction to restrain the Defendant from using the Plaintiff's trademark and domain name "RAJDHANI" "rajdhanigroup.com" and respectively. The Plaintiff submitted that the trademark / label "RAJDHANI" was originally conceived and adopted by the Plaintiff, in respect of various food products. It is said that the trademarks were owned by the Plaintiff and its sister concern via settlement agreements and the Plaintiff has rights for the brand "RAJDHANI" for Aata,





Maida, Sooji and other wheat products and pulses in pack of half and one kg only excluding Chana Dal, whereas the sister concern has rights in the brand for Besan, Chana Dal and other gram related products. The Plaintiff claimed that the logos and labels are registered as trademark and copyright.

It came to the knowledge of the Plaintiff, that the Defendant was engaged in a business of manufacturing/selling various kinds of spices in the name and style of "Rajdhani Masale Co." and "New Rajdhani Masala Co.", and that the Defendant was blatantly applying the aforesaid marks on its products, and copying the artistic work, dress, colour scheme, trade colour combination, writing pattern on the packs to pass off the goods, hence infringing the trademark of the Plaintiff.

The Defendant claimed to have been continuously using the trademark "RAJDHANI" since 1965 prior to the existence of the Plaintiff in 1983 with a usage of the trademark "RAJDHANI" since 1966. The Defendant argued stating that the Plaintiff instituted the present suit after a lapse of substantial time and has sought a relief which ought not to be granted. The Defendant claimed to be the Plaintiff's neighbour operating within same industrial area. It was further stated by the Defendant that the Plaintiff failed to furnish full details of the settlement and assignment of the trademark "RAJDHANI". The Defendant also highlighted that the goods are different as the Defendant dealt in all kinds of spices and masalas, whereas the Plaintiff was in the trade of Atta, Suji, Maida, and other pulses, etc., leading to no overlap of the products. The Court rejected the Defendant's contentions wherein the Defendant claimed that the settlement agreement of the Plaintiff and the sister concerns do not evidence that the rights in the trademark "RAJDHANI" were assigned in favor of the Plaintiff. The Court affirmed that the settlement agreement was sufficient to substantiate the rights in the trademark "RAJDHANI". The Court also highlighted that the documents/invoices relied upon by the Defendant did not establish prima facie usage of the trademark by Defendant. The Court stated that the rights of a prior user overrides the subsequent user. Hence, the Defendant was held liable for infringing the Plaintiff's trademark.

AD INTERIM INJUNCTION GRANTED AGAINST THE USE OF "ALDIGESIC P" VI

Alkem Laboratories Ltd. (Plaintiff) filed a suit before the High Court of Delhi (Court) against Danish Healthcare (**Defendant**) alleging infringement of its registered trademark "ALDIGESIC P", which adopted by the Plaintiff in 1999. The Plaintiff manufactures and markets tablets containing Aceclofenac and Paracetamol, under its registered trademark "ALDIGESIC P" and has been continuously/uninterruptedly using the trademark since 2010 under Class 5. The Plaintiff further claimed that the products were sold under a distinctive trade dress i.e.





peach colour tablets, packed in 5 x 3 blister packs.

The Defendant manufactures and markets its product containing Aceclofenac Paracetamol, under the brand name of "ALGESIC-P", in 5 x 3 blister packs of peach colour tablets. The Defendant argued that the Plaintiff's trademark was descriptive and was also opposed by a German Company. The Defendant further pointed out that mere filing of the trademark by the Plaintiff cannot be the sole ground for the grant of injunction when validity of registration was auestion in the written in statement/pleadings. Hence, while deciding whether an injunction should be granted or not, a tentative view was required to be taken on the question of validity of registration and the principles for grant of injunction should be applied. Further, the Defendant stated that an application was filed by them for the registration of the trademark "Danish Algesic" and not "ALGESIC-P".

The Court rejected the aforesaid arguments of the Defendant, finding out a similarity between the marks and trade dress of both the products, thereby granting an injunction in favour of the Plaintiff.

COPYRIGHT

ASSIGNMENT CANNOT BE MADE THROUGH AN ORAL AGREEMENT^{vii}

The High Court of Madras (Court) declared Mrs. Sellappapa (Respondent) the legal heir of Mr. Keeran was the rightful owner of the

Copyright after the death of Mr. Keeran (Original Author). The Respondent's husband was employed with Mr. Vijayaraghavan, proprietor of Vani Recording Company (Applicant).

The Applicant submitted that the work was created by the Original Author, under a contract of service, assigned to him by way of an oral assignment and a sum was paid as consideration in exchange of the work by the Original Author. However, no documentary evidence to prove such an assignment was available.

The Court rejected the claim by the Applicant stating that in the absence of an evidence to show that the recordings were made by the Original Author, under any contract of service or during the course of his employment with the firm, it cannot be said that the copyright was assigned. The Court rejected the Applicant's claim of being the first owner of Copyright under the Copyright Act, 1957 and that the Original Author received any consideration by the Applicant for such an assignment. The Court emphasized that an assignment cannot be made through an oral agreement and any license or an assignment of a copyright has to be in writing in view of the specific provisions of Section 19 and 30 of the Copyright Act, 1957.

HIGH COURT OF DELHI DIRECTED A STATUS QUO TO BE MAINTAINED WHEN FIXING ROYALTY RATES^{viii}

A petition was filed by Entertainment Network India Limited, private radio





broadcasting organization, (**Petitioner**) in the High Court of Delhi (**Court**), seeking revision of statutory license rate under Section 31D of the Copyright Act, 1957 and Rule 31(9) of the Copyright Rules, 2013 for broadcasting sound recordings, which are owned by Phonographic Performance Limited and Tips Industries Limited (**Respondent**).

The present license fee rates, as paid by the Petitioner, were prescribed by Intellectual Property Appellate Board (IPAB) effective from 01st October 2020 as mentioned in the order dated 31st December 2020 pursuant to a petition under Section 31D of the Copyright Act, 1957. Post the announcement of the Tribunals Reforms (Rationalization and Conditions of Service) Ordinance, 2021; and abolishment of the IPAB, the functions of the IPAB were transferred to judicial bodies. Hence, the jurisdiction to revise or fix the license fee rates under Section 31D of the Copyright Act. 1957 vests with the Commercial Division, to which the Petitioner had sought revision/determination of the license rates payable by them to Respondent, for exercising their rights under Section 31D Copyright Act, 1957, post the expiry of the rates set by the IPAB.

The Respondent contended that there was no prima facie case due to deliberate delay in initiating these proceedings by the Petitioner and hence the Petitioner can only seek revision, and not a judicial redetermination of the rate set by IPAB, as the appeals were still pending. Keeping in view the pendency of the final judgment, the

Court held that it is appropriate to direct a status quo to be maintained regarding royalty rates for sound recordings, as fixed by the IPAB. The Court stated that it is imperative to pass a status quo order, so as to ensure that there was an interim 30th arrangement in place between September 2021 and the day the new/modified rates were fixed, i.e. until the petitions were decided.

RELIEF DENIED TO THE APPELLANTS IN THE CLAIM OF 'PASSING-OFF' AND 'COPYRIGHT INFRINGEMENT'^{ix}

ITC Limited (Appellant) challenged the order passed by the Commercial Court, Bengaluru (Trial Court) before the High Court of Karnataka (Court), which refused the grant of an interim relief of temporary injunction to the Appellants against CG Food (Respondent) in the claim of passing off and copyright infringement.

The Appellant claimed that the packaging of the Respondent's products was deceptively similar to that of their products. The Appellant claim that the action of the Respondent had caused damage to its goodwill and reputation in the market and as such the Respondent had to be restrained from using same. The principle contention of the Appellant was that the ordinary customer would be misled deceptively similar packaging of the goods and this would cause harm to the reputation of the Appellant's goods. They argued that 'noodles' are low-involvement products i.e. the consumer purchases such products





impulsively unlike luxury products. The Appellant also claimed that the Trial Court laid emphasis on the 'dissimilarities' rather than focusing on the similarities of the packaging of the products.

Respondent contended The that the 'likelihood of deception' was estimated only when all the factors of determination were put to scale. The principle contention of the Respondent was that the 'verbal mark' or 'brand name' was the most crucial point of determination for the consumers and that the consumers do not purchase the products solely by the visual perception of the product. The Respondent further contended that the rest of the features of the product packaging were those which were common to the trade of packaging of such products. With respect to the similarity in the color scheme, it was submitted that the consumers do not rely solely on the color scheme while purchasing the product.

The Court held that the Trial Court ought to have undertaken the similarities instead of only examining the 'dissimilarities'. After examining the 'distinctiveness in law' and 'distinctiveness in fact', and the application of the 'Perception Test' along with considering the leading authorities on passing-off actions, the Court concluded that there was no claim for passing-off against the Respondent. The Court observed that 'likelihood of deception' was demonstrated in the present case. The Court went on to state that the 'distinctive features' claimed by the Appellants were not per se 'distinctive'. The consumer neither demands for 'red-orange' noodles nor do the sellers unconsciously provide the Appellant's product when such demand arises. The Court further held that there was no case for 'copyright infringement' as the Respondent cannot be said to have copied the features of the Appellant's work. In conclusion, the Court affirmed the decision of the Trial Court and the appeal was dismissed.

GEOGRAPHICAL INDICATIONS

GI TAG CHALLENGE ON MP FOR BASMATI RICE TO BE RECONSIDERED^x

The Supreme Court (Court) dismissed the order of High Court of Madras which denied GI tag to Basmati Rice which grows in some parts of Madhya Pradesh. The High Court of Madras stated that for a same produce, two GI certificates of registration cannot be issued.

The Court said "We are of the opinion that the High Court of Madras committed an error in not adjudicating the issue relating to the over-inclusion of areas in Madhya Pradesh forming part of the Agricultural and Processed Food **Products Export** Development Authority (APEDA) GI application." The Court remanded the issue back to the High Court of Madras for fresh consideration and directed the High Court of Madras to decide the matter at the earliest.

MANIPUR SUCCESSFULLY ACQUIRES GI TAG FOR TAMENGLONG ORANGES AND HATHEI CHILLIES^{xi}





The Tamenglong Orange belongs to the Mandarin Family. The orange has a bright orange colour and weighs about 232.76 grams on average.

Hathei Phanit are a famous type of chilli in Manipur which are almost 9 inches in size and are also commonly known as Sirarakhong Chilly.

Both the products received the GI tag in September 2021.

GENERAL

INDIA MOVES TO 46TH IN GLOBAL INNOVATION INDEX (GII)-2021*ii

The 21st edition of the Global Innovation Index (GII) has been recently presented by World Intellectual Property Organization (WIPO) includes global innovation ranking of 132 countries. India has observed a significant leap in its ranking from 81 in 2015 to 46 in 2021. In 2020, India ranked 48th in the GII, thus making an entry among the top 50 countries, with 3rd position in its income group, which is 2nd this year.

Among the Central and Southern Asia, India has been ranked 1st followed by Iran and Kazakhstan.

TOP THREE INNOVATION ECONOMIES BY INCOME GROUP						
RANK	HIGH- INCOME	UPPER MIDDLE- INCOME	LOWER MIDDLE- INCOME	LOW- INCOME		
1	Switzerland	China	Viet	December		
	Switzeriand	China	Nam	Rwanda		

3	USA	Malaysia	Ukraine	Malawi

The GII Report mentioned that the middleincome economies are changing the innovation landscape, starting with China, Turkey, Viet Nam, India and the Philippines are now pulling their weight.

It was stated by the Government of India, the country's improved and consistent performance in the GII ranking is due to immense knowledge capital, the vibrant startup ecosystem, various work done by the public and the private research organizations, scientific departments like Department of atomic energy, Department of Science and Technology, Department of Biotechnology, and the Department of Space.

"LICENSE LIYA KYA" CAMPAIGNXIII

"License Liya Kya" campaign is an initiative to spread awareness and knowledge related to the understanding of the procedures related music licensing, to benefits, obtaining procedure, etc. The campaign includes discussion with industry insiders and experts via virtual events, influencer programmes, and awareness building initiatives.

The campaign focuses on spreading awareness towards "Fair Pay" and "Fair Play" of music underlining the significance of abiding by the licensing norms. Pursuant to the assignment deed signed by the members of Indian Performing Rights Society (IPRS), registered under Section 33(3) of the





Copyright Act, 1957, the society becomes the "owner" of the copyrights subsisting in such musical and literary works. IPRS is entitled to issue licenses for usage of musical and literary works of the members public performance for the and/or communication to the public of such musical and literary works.

IPRS grants licenses based on different categories of tariffs depending on the premises/events/television, radio, internet streaming, nature of use etc.

"License Liya Kya" campaign aims to educate music users on the different licensing needs and the kinds of music licenses, highlighting the benefits of music licensing and the ease of procurement through a copyright society like IPRS.

As per a recent study by FICCI & EY Indian consumers spent 21.5 hours/ week listening to music in 2020, which is higher than the global average of 17.8 hours/week.

Javed Akhtar, Chairman of IPRS added, "We are glad to announce this campaign which will not only bring in awareness but will also highlight the importance of music licensing. We have always believed in creating a secure community for authors, composers, and music publishers. Through campaign, we aim to bring about gradual transformation and a mind-set shift towards respecting and acknowledging Fair Pay and Fair Play of Music. We have received a great response for our previous campaigns, and we look forward to receiving wholehearted support for this initiative as well."

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Disclaimer: IPTimes.Law has been shared with the intent to provide a general overview of the IP developments in India. This should not be taken as a substitute for any legal advice in a specific situation (which can only be given after being formally engaged and familiarizing ourselves with all the relevant facts).

However, should you have any queries, require any assistance, or clarifications, with regard to anything contained in this newsletter please feel free to contact us at iptm@singhania.in or ipp@singhania.in or connect with our team:



Patents (Amendment) Rules, 2021 Notified

Phonographic Performance Limited

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