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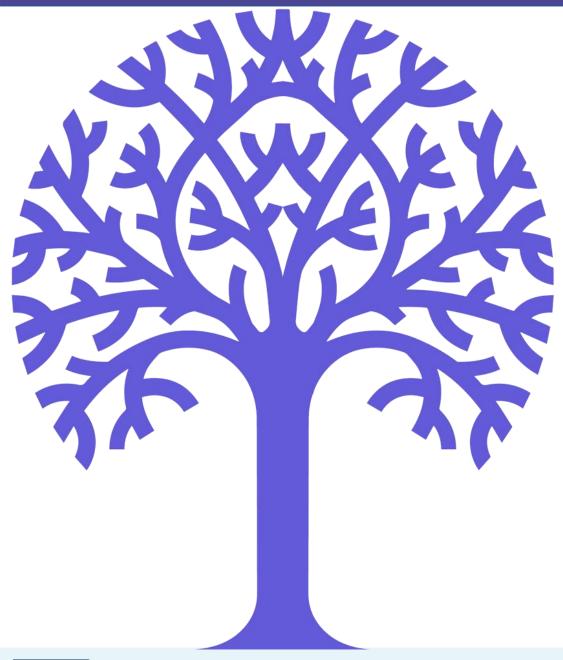
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Patentability of computer related inventions – Court's inconsistent approach underscores complexity but creates uncertainty

By Prabhat Kumar, Jaya Pandeya, and Ankur Garg

The Delhi High Court, in two of its recent decisions, demonstrated disparate approaches of assessing patentability of computer related inventions (CRIs) under Section 3(k) of the Patents Act, 1970. Notably, both judgments were delivered by the same Single Judge Bench of the Court on the same day. Discussing the two decisions, the article highlights that this underscores the complexity and nuanced nature of assessing patentability of CRIs under the Indian patent law. The authors in this regard note that it is unclear at present as to when does a CRI qualify as an 'algorithm', so as to constitute excluded subject matter despite the presence of technical effect. According to them, the confusion is particularly evident in cases where the invention is computer-implemented. They believe that a more precise definition of 'algorithm' in the context of Section 3(k) may provide greater predictability in how CRI applications are examined and evaluated.

Patentability of computer related inventions – Court's inconsistent approach underscores complexity but creates uncertainty

Introduction

The Delhi High Court, in two of its recent decisions, while adjudicating appeals against the rejection of the Appellant's (Blackberry Limited) patent applications, demonstrated disparate approaches of assessing patentability of computer related inventions (CRIs) under Section 3(k) of the Patents Act, 1970 ('**Act**'). Notably, both judgments were delivered by the same Single Judge Bench of the Delhi High Court on the same day.

In the first case, *Blackberry Limited* v. *Assistant Controller of Patents and Designs* [C.A. (COMM.IPD-PAT) 229/2022]¹, the Court, in a judgment dated 30 August 2024 (reserved on 16 April 2024), dismissed the appeal, thereby upholding the rejection of Appellant's patent application titled '*Administration of Wireless Systems*' bearing Application Number 1762/DEL/2008. In this case, the Court applied a narrow



By Prabhat Kumar, Jaya Pandeya, and Ankur Garg

approach, focusing on whether the technical contribution lies merely in algorithmic processes, concluding that the invention fell under the exclusion criteria of Section $3(k)^2$ of the Act.

In the second case, *Blackberry Limited* v. *Controller of Patents and Designs* [C.A.(COMM.IPD-PAT) 318/2022]³, the Court, in its judgment, also dated 30 August 2024 (reserved on 26 July 2024), overturned the rejection of the Appellant's patent application titled '*Auto-Selection of Media Files*' bearing Application Number 717/DEL/2009. In this case, the Court adopted the well-established approach of determining presence of technical effect, observing that an invention contributing to enhancing the capability of any device to such an extent that the functionality of the device is made more efficient, indeed constitutes a concrete technical effect and technical contribution. Consequently, the Court held that such

³ <u>https://indiankanoon.org/doc/24328013/</u>

¹<u>https://indiankanoon.org/doc/50904559/</u>

² Section 3(k): a mathematical or business method or a computer programme *per se* or algorithms;

an invention should not be excluded from patentability under Section 3(k) of the Act.

These contrasting decisions, delivered on the same day by the same Single Judge Bench, highlight the evolving and sometimes inconsistent approaches to assessment of CRIs under Section 3(k). The fact that the same Bench reached different conclusions in similar cases underscores the complexity and nuanced nature of assessing patentability of CRIs under Indian patent law.

Facts of the first case

In this case, despite the Applicant's submissions during the prosecution that the claimed invention has a technical effect, the IPO rejected the application. The rejection order identified the claimed invention as non-patentable under Section 3(k) of the Act, asserting that the invention comprised sets of instructions and software that were purely functional, and did not include any inventive hardware features. In response, the Appellant initiated the present appeal challenging the rejection order.

In the appeal, the Appellant argued that the invention administers wireless systems by configuring client devices using primary and secondary servers. Explaining the problem being solved, the Appellant submitted that these servers maintain policies determining device operations, but conflicts can arise from inconsistent policies. The Appellant argued that this invention addresses this technical problem by providing a solution to resolve conflicts between multiple servers. This solution involves evaluating and prioritizing policies from primary and secondary servers, ensuring proper device operation.

In its analysis of the invention, the Court noted that the claims of the invention involve conditional steps executed by programs, including detecting data, evaluating policies, and resolving conflicts. These steps were viewed as reducible to if-then-else logic statements. To support these assertions, the Court examined specific paragraphs of the specification (e.g., [0050], [0051], [0061]) and interpreted that the core functionality of the invention relies heavily on logical instructions to manage data dissemination and privacy settings, with server policy agents operating based on communication policies to manage information flow.

While acknowledging that the invention has a technical effect, the Court asserted that this technical affect primarily arises from an algorithmic process regulating information flow through a sequence of instructions. The Court did not find



sufficient evidence of a further technical effect or enhancement of hardware functionality that would overcome the exclusion under Section 3(k).

Though the Appellant pointed out that the corresponding application for the subject patent application has been granted by the European Patent Office (EPO), the Court observed that while under Article 52 of the European Patent Convention, algorithms are excluded from patentability only 'as such,' allowing for the patentability of technical implementations of algorithms, the Patents Act in India does not include such a qualification. The bar on algorithms in India is absolute, as Section 3(k) of the Act does not contain the 'as such' limitation. The Court held that, in light of the differing position of law in India and Europe, the views taken on the allowability of the corresponding EP application by the EPO may not be similarly applied to the current Indian application.

In conclusion, the Court found that while the claimed invention in the first case has a technical contribution, said contribution primarily arises out of the use of an algorithmic process that regulates the flow of information through a sequence of instructions. In the Court's view, the invention lacked a demonstrable technical effect beyond the algorithmic process, and thus deemed the invention to fall within the exclusion criteria of Section 3(k) of the Act.

Accordingly, the Court upheld the decision that the invention does not warrant patent protection and rejected the appeal.

Facts of the second case

The IPO rejected the patent application referred to in the second case under Section 3(k) of the Act. In its rejection order, the IPO contended that the subject invention, which relates to automatically selecting media files based on confidence level of the users and available storage in the device, is essentially a computer program. The IPO deemed the claims an algorithm executed on a general-purpose computer, thus falling within the scope of Section 3(k) of the Act and not patentable.

In the appeal, the Appellant argued that the subject patent application addresses a technical problem, i.e., it evaluates the memory available on a particular device which is connected to a server and based on the preferences of the user, upon the memory in the device becoming available, it downloads the amount of content which the device can handle.

The Court, in its analysis of the invention, recognized the invention as a method for managing content in devices,



addressing a technical problem in content management and storage optimization. The Court noted that the invention indeed enhances the capability of the device to handle media content within limited storage space, viewing this as a concrete technical problem in the realm of digital content management.

Unlike in the first case, in this case, the Court found that this invention goes beyond mere instructions or algorithms, providing a concrete technical solution to a technical problem. The Court viewed the invention as an effective integration of software capabilities with hardware constraints (storage limitations), resulting in improved overall device performance. The Court considered how the invention improves user experience by automatically managing content based on preferences and usage patterns as a technical contribution.

The Court also noted that while no prior art references were cited in the rejection order of the IPO, arguments similar to those used by the EPO to object to the corresponding EP application for lacking inventive step, were applied by the IPO in the refusal order, and indicated under Section 3(k). Despite similarities with prior art US2007043765, the Court identified novel elements in the subject patent, including a 'confidence level' based on likeability, specific categorization steps, and a cache manager. These features were deemed to provide technical advancements beyond the prior art. The Court held that elements like cache management, metadata-only library files, and dynamic media synchronization provide technical effects both within and beyond the computer, constituting advantages extending beyond the excluded subject matter.

Based on these factors, the Court concluded that the invention is not merely a computer program *per se* or an algorithm, but a technical solution with a demonstrable technical effect, thus overcoming the Section 3(k) barrier. Accordingly, the Court reversed the IPO decision to reject the patent application.

Analysis of both judgments

In both cases, the Court focused on how the functionality of the device is enhanced, and if the same was also included in the claims. However, the application of this test led to different outcomes in the two cases.

The authors are of the view that, in the first case, too much emphasis was laid on if-then-else logic being implemented, disregarding other limitations of the claims and the technical effect highlighted by the appellant. By focusing primarily on the algorithmic aspects rather than their practical implementation, the tangible improvements in device



performance, network efficiency, and overall system functionality resulting from the implementation appear to have been overlooked. It is also notable that the Appellant though had explained the technical problem and solution, but same does not seem to have been analyzed by the Court. The Court concluded that technical effect, although present, was limited to regulating data transmission between servers, which was insufficient to overcome the algorithmic nature of the invention. As a result, the Court concluded that the inventiveness of the invention lies in the algorithm itself, rather than its implementation and resulting technical contributions.

In the second case, however, the Court assessed the claims as a whole and considered the technical effect brought about by the claims. The Court observed that an invention contributing to enhancing the capability of any device to such an extent that the functionality of the device is made more efficient, constitutes a concrete technical effect and technical contribution. Consequently, the Court held that such an invention would not be excluded under Section 3(k) of the Act.

While courts have previously acknowledged the need for the patent regime in India to align with other major jurisdictions, the introduction of a new if-then-else test does not appear to be a step in this direction. This is particularly noteworthy with respect to the first case considering that the corresponding European patent application was allowed. The inconsistent application of Section 3(k) in these cases raises questions about the clarity and predictability of patent eligibility criteria for CRIs in India, impacting international harmonization efforts in this rapidly evolving technological field.

Conclusion

These cases illustrate the evolving nature of CRIs patentability in India. While the Court reaffirmed that inclusion of novel/inventive hardware is not to be insisted upon while considering patent eligibility of CRIs, there appears to remain a persistent inclination towards recognizing improvements in hardware functionality.

While some judgments provide for considering the overall technical effect of the claims of the invention when assessing patent eligibility of the CRI, decisions like the one in the first case tend to make the patentability standards relating to CRIs unpredictable. The underlying reason for such unpredictability, in the view of the authors, is the lack of a clear, standardized definition of what constitutes an 'algorithm' in the context of Indian patent law.



The technical effect test is typically used to determine whether a CRI falls within or outside the purview of 'per se' exclusions of Section 3(k). As apparent from the abovediscussed orders, the application of this test does not extend to algorithms, which are absolutely barred from patentability. However, what is unclear at present is when does a CRI qualify as an 'algorithm', so as to constitute excluded subject matter despite the presence of technical effect. The confusion is particularly evident in cases where the invention is computerimplemented.

The current guidance provided by the Manual of Patent Office Practice and Procedure (MPPP) on algorithms appears to be broad and potentially open to varying interpretations. This ambiguity in defining algorithms, especially in the context of CRIs, usually leads to inconsistent assessments. Some CRI inventions may be classified as algorithms and thus deemed unpatentable, while similar computer-implemented inventions may qualify as eligible subject matter if they pass the technical effect test.

This situation creates uncertainty for patent applicants, particularly in the field of CRI. In this respect, a constructive step from the judiciary would be to clarify the scope of exclusion of 'algorithm'. A more precise definition of 'algorithm' in the context of Section 3(k) of the Act may provide greater predictability in how CRI applications are examined and evaluated.

Such clarity would benefit both applicants and examiners, and provide for more consistent outcomes in patent examinations and legal proceedings. This may also foster innovation in the software industry while ensuring that patent protection is granted to inventions that genuinely contribute to technological advancement.

[The first author is a Senior Associate while other two authors are Partners in IPR practice at Lakshmikumaran & Sridharan Attorneys]







The number game – Alphanumeric and numeral trademarks

By Shivangi Rajan, Radhika Deekshay and Vindhya S Mani

The second article in this issue of IPR Amicus discusses a recent dispute wherein a well-known Indian airline has instituted a trademark infringement suit against a reputed Indian car manufacturer, over the use of its alphanumeric mark '6E'. Elaborately discussing as to what are alphanumeric and numeral marks, their registrability, Trade Mark Registry's approach to distinctiveness, and jurisprudence on conflicts over such marks, the authors note that it is evident that multiple factors are to be considered when adjudicating issues pertaining to alphanumeric or numeral marks. They highlight that the arbitrary nature of such marks in comparison to the goods/services concerned, attainment of secondary meaning in relation to the consumers, and rule of anti-dissection are few important things to be noted for this purpose.

The number game – Alphanumeric and numeral trademarks

By Shivangi Rajan, Radhika Deekshay and Vindhya S Mani

Distinctiveness of trademarks can be viewed as a spectrum, with certain types of marks ranking high (invented, coined, fanciful, etc.) and others ranking low (suggestive, descriptive, etc.). A curious category, however, is the realm of alphanumeric and numeral marks, which are contentious given the balance to be maintained between the role of a source indicator and ensuing no undue monopoly of a numeral to one person/entity. One such recent instance is the case where the well-known Indian airlines 'IndiGo' instituted a trademark infringement suit against the reputed Indian car manufacturer 'Mahindra', over the use of its alphanumeric mark '6E'. Mahindra recently launched its electric SUV car named 'BE 6E', against which IndiGo initiated the commercial suit before the Delhi High Court, asserting its statutory and common law rights in their mark '6E'. While the suit is pending adjudication, numerals-based trademarks and their registrability have been the subject matter of judicial precedents in India.

Alphanumeric and numeral marks: What are they?

Numeral marks are signs that are solely made up of numbers, for e.g. the famous number '007' that is associated

with the James Bond franchise, '93.5' associated with the radio channel RED FM. Alphanumeric marks, on the other hand, includes both letters (alphabetic characters) and numbers. Some examples would be a popular soft drink '7UP', Chanel's famous perfume 'N°5'.

Registrability: What does the law say?

As per Section 2(1)(m) of the Trade Marks Act, 1999 ('**Act**'), a mark includes a '*device*, *brand*, *heading*, *label*, *ticket*, *name*, *signature*, *word*, *letter*, *numeral*, *shape of goods*, *packaging or combination of colors or any combination thereof*'. Thus, as per the statutory definition, a trademark can be made up of a letter (e.g. Q), a numeral (e.g. 7), or a combination thereof (e.g. Q7).

However, in the journey to registration, it is not enough that a mark merely falls within the above definition. An important threshold to meet is distinctiveness i.e., the mark must be capable of distinguishing the goods/services of one entity from those of another under Section 9 of the Act. It is not surprising that numeral and alphanumeric marks are generally



considered to be lower on the distinctiveness spectrum, owing to the lack of any unique or fanciful elements in them.

Trade Mark Registry's approach to distinctiveness in alphanumeric and numeral marks

While prosecuting trademark applications for alphanumeric and numeral marks, the Indian Trade Mark Registry does not seem to adopt a straitjacket approach. A few such applications, and the Registry's prosecution thereof are discussed below:

Mark/ Reg. No.	Proprietor	Comments
NO.5 No.5 no.5 N°5 Reg. No. 2256517	Chanel Sarl	Although the Registry raised the objection of non- distinctiveness under Section 9, Chanel's arguments that the mark is arbitrary, has no meaning with respect to Class 03 goods, and has been used, were accepted by the Registry. The alphanumeric mark now stands registered.

Mark/ Reg.	Proprietor	Comments
No.		
Q7	Audi AG	The Registry raised the
Reg. No.		objection that the
1325076		alphanumeric mark is devoid
		of distinctiveness, as the mark
		is simply a letter and a number.
		However, registration was
		subsequently granted.
PS5	Sony	No objection on the grounds
Reg. No.	Interactive	of non-distinctiveness was
4431871	Entertainment	raised, the mark now stands
		registered.
007	Danjaq LLC	The James Bond numeral mark
Reg. No.		was filed with a user claim
4227155		since 1963 and was directly
		accepted by the Registry
		without raising any objection.
153	Urmin Products	The Registry objected by
Reg. No.	Pvt. Ltd.	stating that the numeral mark
1293651		was non-distinctive. URMIN
		successfully argued that
		numeral marks are
		registrable and demonstrated



Mark/ Reg.	Proprietor	Comments
No.		
		that the Registry has granted
		protection to several numeral
		marks. The mark now stands
		registered.
64	Chhaya Devi	No objection was raised
Reg. No.	W/O Late Vijay	under Section 9, and the mark
308359	Kumar Arya	now stands registered.
R55	Weir Minerals	The mark was refused on the
App. No.	Australia Ltd.	grounds of non-
2669623		distinctiveness and basis
		existence of similar prior
		marks.

Based on the above, it appears that there is no 'one-size-fitsall' approach being taken by the Registry for alphanumeric and numeral marks. Some marks have met with objections/ refusals basis non-distinctiveness, while others have been directly accepted without any objections to their distinctiveness. The prosecution history of such marks demonstrates that registration can be successfully achieved, should the proprietor be able to demonstrate that their alphanumeric/ numeral mark is arbitrary i.e. has no meaning with respect to the applied goods/services, or does not conflict with an earlier trademark, or has preferably also acquired distinctiveness through the course of its usage.

IndiGo too, like some of the above-stated proprietors, is the owner of many alphanumeric registrations, such as '6E', '6E Link', '6E Plus', and '6E Pass'. It is noteworthy that their mark '6E' under Reg. No. 1878015 also met with an objection of nondistinctiveness from the Registry, however IndiGo was able to achieve successful registration over the same, thus demonstrating the validity of their rights over their alphanumeric brand name.

Enforcement: Jurisprudence on conflicts over alphanumeric/ numeral marks

In addition to registrability of the subject marks, another consideration attached with such marks is the conflict between two identical/ similar alphanumeric or numeral marks. Though jurisprudence on the topic is limited, Courts in India have made numerous observations as to the enforcement and protection of such marks. A discussion on a few cases is provided below:

 ✤ In Jagan Nath Prem Nath v. Bhartiya Dhoop Karyalaya, 1975 SCC OnLine Del 79, the conflict arose with



respect to the numeral '555' for agarbattis, such that the concerned parties were using the marks 'Kasturi Agarbati 555' and 'Anand Darbar Batti 555'. Even though the numeral formed only part of the marks, the High Court of Delhi adopted a broader approach and granted interim injunction to the Plaintiff, recognizing that the evidence presented demonstrated that '555' has acquired a distinctive meaning in the trade.

In matters determining the likelihood of confusion * owing to the use of deceptively similar/ identical marks, the target consumers/market of the products shall also play a vital role, as was held in the case of Vrajlal Manilal & Co. v. Adarsh Bidi Co., 1995 SCC OnLine Del 73. Here, the Plaintiff filed a suit for infringement and passing off of their trademark '22' (for bidis) by the Defendant, who were selling bidis under the trademark '122'. The High Court of Delhi in this case granted protection to the Plaintiff's mark by restraining the Defendants from using the trademark '122', while also taking into consideration the fact that unwary consumers of bidis who are illiterates or semiliterates, could easily be led into purchasing Defendants' bidis as that of the Plaintiffs'.

- The High Court of Delhi in Carlsberg India Pvt. Ltd. v. Radico Khaitan Ltd., 2011 SCC OnLine Del 5756, dealt with an issue between Radico, who manufacture alcoholic beverages under the mark '8PM' and Carlsberg, for were using 'PALONE 8' for beer. The Court held that Radico's registration over the composite alphanumeric mark '8PM' does not entitle it to claim exclusivity over the single numeral '8'. This strict reasoning asserts that rights in alphanumeric marks, though registrable, are limited to the combination of the numeral and letter as a whole.
- In the case of Mona Aggarwal & Anr. v. Glossy Colour & Paints Pvt. Ltd. & Anr., 2016 SCC OnLine Del 635, Glossy Colour filed a suit for infringement basis their mark '1001', against Mona Aggarwal's use of the mark '6004', both of which were being used for paint, varnish, etc. Notably, the High Court of Delhi held that 'though there is no quarrel with the proposition that a trademark can be represented merely by a numeral, however, simply because one party had adopted a numeral as a trademark for its products, it cannot be said that no other party can adopt different numerals as part of a trademark for their similar goods. In such a situation what has to be seen,



is whether the mark taken as a whole i.e. combination of numeral, colour scheme, get-up, layout are deceptively similar'.

- An alphanumeric mark of descriptive nature, in the absence of evidence substantiating that the same has acquired distinctiveness or secondary meaning, shall not be entitled to registration, as was held in the case of *Shine Chem Laboratories* v. *Standard Reagents Private Limited*, 2016 SCC OnLine Hyd 198. Here, the Court held that the Plaintiff's alphanumeric mark 'Stable 2Y++ Single Solution' does not have any distinctiveness (*as the terms 'Stable 2Y++' admittedly describes the stability of the produce in the packed bottle for a minimum period of 2 years*), especially given that there has been no substantial evidence showcasing that the words Stable 2Y++ has attained secondary meaning *vis-à-vis* the products of the Plaintiff.
- Numeral trademarks may be arbitrary in nature and will therefore be entitled to protection when used individually, as part of alphanumeric combinations, or spelled out in letters. In *Alphavector India Pvt. Ltd.* v. *Sach Industries & Ors.*, 2023 SCC OnLine Del 615, the Plaintiff (Alphavector India) being the registered

proprietor of several marks featuring the number '91' in conjunction with words such as 'outdoors', 'cares', 'vector' and a 'V' logo, filed a suit against the Defendant (Sach Industries) who was using the marks NINETY-NINE and 99. The High Court of Delhi opined that the numeral marks 99 and 91 were deceptively similar to one another in respect of bicycles. The Court further held that numeral trademarks are arbitrary in nature and are entitled to protection.

An alphanumeric mark that has gained secondary meaning shall be entitled to protection, even without separate registration for the alphanumeric character *per se*, as was held in the case of *GTZ India Pvt. Ltd.* v. *Artek Surfins Chemicals Ltd. & Anr.*, 2024 SCC OnLine Del 4211. The High Court of Delhi upheld the injunction order prohibiting Gtz India from using the unique combination of a particular numeral along with particular alphabet being '786', '2048M', '2048R', '1085M' etc., on account of the same being identifiers of the Respondent's (*Artek Surfins Chemicals Ltd*) products amongst the relevant consumer base. The Court further determined that the Respondent's



alphanumeric characters (*such as 786, 511, etc.*) have acquired a secondary meaning through exclusive use in relation to their products and are therefore entitled to protection, even though they are not registered as a separate trademark.

Conclusion

From the above discussion, it is evident that multiple factors are to be considered when adjudicating issues pertaining to alphanumeric or numeral marks. Where they are used in a descriptive sense (as was the case with 2Y++), proprietors are disallowed from asserting rights over the same. On the other hand, if the alphanumeric/ numeral are arbitrary in nature in comparison to the goods/services concerned (e.g. 99 for bicycles), it is considered capable of both protection and enforcement against third parties. An especially relevant consideration is the attainment of secondary meaning in an alphanumeric/ numeral mark, in relation to the target consumers. Precedents show that when a proprietor can demonstrate that the relevant public has come to attach a secondary meaning to the alphanumeric or numeral mark, then the Courts are more amenable to grant monopoly rights over them. However, to prevent unfair practices resulting from enforcement of alphanumeric/ numeral marks, principles such as the Rule of Anti-Dissection are relied upon ('8PM' does not give right to prevent others from using '8').

[The first two authors are Associates while the third author is a Partner in IPR practice at Lakshmikumaran & Sridharan Attorneys]



- Patents Filing of Divisional Application on the day of grant of patent in original application is not fatal Madras High Court
- Patents Absence of proper analysis by Patent Office on applicant's contentions is wrong Court also
 permits applicant to file amendment application to explain its case *Madras High Court*
- Trademark 'THINBOOK' is confusing with 'THINKBOOK' Cancellation of registration of 'THINBOOK' directed – Madras High Court
- No copyright in manufacture and sale of garments *Punjab & Haryana High Court*
- Domain name 'Desimochi' prima facie infringes rights of 'Mochi' Bad faith not necessary Bombay High Court
- 'Dolobene' and 'Doloban' Petition for rectification of mark 'Dolobene' dismissed in absence of evidence of prior continuous use, limitation in filing and acquiescence – *Madras High Court*

Patents – Filing of Divisional Application on the day of grant of patent in original application is not fatal

The Madras High Court has quashed the Order passed by the Deputy Controller of Patents and Designs refusing to grant patent in respect of a Divisional Application on the ground that the same was filed after the grant of patent in respect of the original patent application filed by the applicant-appellant.

The Divisional Application was filed on the same day when the patent in favour of the appellant in respect of the original patent application was granted. The appellant had submitted that it was impossible to know the exact timing when the patent was granted in its favour.

Directing the Patent Office to pass final orders on the Divisional Application on merits, the Court noted that though the Standing Counsel for the Patent Office submitted that the timing of the grant of patent was earlier to the timing when the Divisional Application was filed by the appellant, the said fact was not made known to the appellant. The High Court in this regard also observed that the order impugned before the Court was thus passed by total non-application of mind rejecting the Divisional Application filed under Section 16 of the Patents Act, 1970. Further, the High Court also noted that principles of natural justice were also violated by the Patent Office while passing the impugned order. It noted that the patent in respect of the Divisional Application was refused also by holding that the claims were not distinctive though there was no reference to the distinctiveness in the notice of hearing issued to the appellant.

The applicant-appellant was represented by Lakshmikumaran & Sridharan Attorneys here. [BASF SE v. Deputy Controller of Patents and Designs – Judgement dated 28 November 2024 in C.M.A.(PT) No. 38 of 2024, Madras High Court]

Patents – Absence of proper analysis by Patent Office on applicant's contentions is wrong – Court also permits applicant to file amendment application to explain its case

The Madras High Court has quashed the order of the Patent Office rejecting a patent application. Remanding the matter back to the Patent Office, the Court noted that impugned order refusing to grant patent, suffered from violation of principles of natural justice and was a non-speaking order with regard to the contentions of the applicant-appellants, which were also raised before the respondent-Patent office.

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The Department had refused to grant patents on the ground of non-patentability under Sections 3(d) and 3(e) of the Patents Act, 1970. The patent application was related to solvated and nonsolvated crystalline forms of 20, 23 dipiperidinyl-5-Omycaminosyl-tylonolide, which according to the applicant exhibits advantageous physical and chemical stability, thermodynamic, kinetic and filtration properties, has technical advancements as well as economic significance and is also not obvious to a person skilled in the art.

Quashing the order impugned before it, the Court noted that the Deputy Controller had not emphasized enough on the points raised by the applicant-appellants and no proper analysis was done on the contentions of the appellants before arriving at the impugned decision. Noting that the Controller had not given reasons as to why the appellants' claimed invention did not have enhanced therapeutic efficacy, the Court held that the impugned order was a non-speaking order which was also passed in violation of principles of natural justice.

It was also observed that the appellants were not provided with an opportunity to submit further explanation to prove that their invention has enhanced therapeutic efficacy. The Court was also of the view that having not being granted with an opportunity (to prove that the claimed invention is a new form of known substance, having enhanced therapeutic efficacy) as per Explanation to Section 3(d), the impugned order was passed in violation of Section 3(d).

It may be noted that the High Court in this regard also permitted the applicant-appellant to file an amendment application under Section 59 of the Patents Act, 1970 to give further explanation to strengthen their case.

Allowing the appeals, the Court also noted that the objections raised by the appellants with regard to the prior art documents were not considered on merits and in accordance with law by the Patent Office.

The applicant-appellant was represented by Lakshmikumaran & Sridharan Attorneys here. [Intervet International B.V. v. Deputy Controller of Patents & Design – Judgement dated 21 November 2024 in (T) CMA (PT) No.119 of 2023, Madras High Court]

Trademark 'THINBOOK' is confusing with 'THINKBOOK' – Cancellation of registration of 'THINBOOK' directed

The Madras High Court has directed the Registrar of Trademarks to cancel the mark 'THINBOOK' of the respondent, bearing No. 3558396 in Class 9. The Court in this regard noted



that the petitioner was the exclusive proprietor of THINK Family of Marks, including THINKPAD and THINKBOOK, for which trademark registrations were obtained both in India and outside.

It was also noted that petitioner had acquired distinctiveness for its THINK Family of Marks by its long and continuous usage (from 1992 in India and from 1920 abroad) and that the respondent's mark 'THINBOOK' was deceptively and phonetically similar to that of the petitioner's THINK Family of Marks, both being used for laptops.

The Court in this regard observed that use of the mark 'THINBOOK' by the respondent will cause confusion in the minds of the general public as to the origin of the same, as the mark is deceptively and phonetically similar to the petitioner's THINK family of marks.

Allowing the petition, the Court also observed that the petitioner is a global leader in the manufacture and sale of laptops, notebook, ipad, etc., and that their reputation should not be tarnished by a small time player, who has copied their trademark.

[*Lenovo (Singapore) Pte. Ltd.* v. *RPD Workstations Private Limited* – Judgement dated 3 December 2024 in OP(TM) No.60 of 2024, Madras High Court]

No copyright in manufacture and sale of garments

The Punjab & Haryana High Court has held that there is no copyright in manufacture and sale of garments. The High Court for this purpose relied upon Section 13 of the Copyright Act, 1957 which enlists the classes of works where copyright could subsist. The petitioner in this case was alleged to be manufacturing caperies and pajamas under the fake label of Puma. The Court was of the view that *prima facie*, the prosecution failed to prove infringement of the provisions of the Copyright Act, punishable under Sections 63 and 65.

Further, regarding prosecution of the petitioner under the Trade Marks Act, the Court relied upon its earlier decision in the case of *Deepak* v. *State of Haryana*, and observed that the mandatory provision under Section 115 of the Trade Marks Act, 1999 were not complied with, as the case was investigated by an Inspector while the provision provides investigation by the police officer not below the rank of Deputy Superintendent of Police. The Court also noted that no opinion of Registrar of trademarks on the facts involved in the offences relating to trademark was obtained by the investigating officer before effecting the search and seizure.



The High Court was hence of the view that the prosecution of the petitioner under the provisions of Sections 63 and 65 of the Copyright Act, 1957 and under Sections 103 and 104 of the Trade Marks Act, 1999 was not legally sustainable.

[*Arun Kumar* v. *State of Punjab* – Decision dated 25 November 2024 in CRM-M-54104-2023, Punjab & Haryana High Court]

Domain name 'Desimochi' prima facie infringes rights of 'Mochi' – Bad faith not necessary

The Bombay High Court has held that there is a strong *prima facie* case for grant of injunction for infringement as well as passing off against the domain name 'Desimochi' owned by the defendant in the case where the trademark 'Mochi', including the domain name with the same word was owned by the petitioner.

Reliance by the defendant on a WIPO decision, wherein the international organization had rejected the contention of the present petitioner that there is infringement by the present defendant, was rejected by the Court here. WIPO had found that the plaintiff was not able to establish that there was bad faith on the part of the defendants in adopting their domain name which contains the word 'Mochi'. The High Court in this regard noted

that the existence of bad faith *per se* is not required to secure an order of infringement for a registered trademark.

The Court also noted that dishonesty in adoption is to be presumed once the defendant is deemed to have notice of the plaintiff's mark by virtue of the same being on the register. It observed that the defendant was under an obligation to undertake a search of public domain registries/sources.

Allowing the interim application, the High Court also observed that it is well settled that in comparing marks as a whole, mere addition of a generic prefix by the defendant will not negate the actionable similarity between the rival marks where the defendants' mark contains the whole of the plaintiff's mark. The Court was also of the *prima facie* view that mere addition of 'Desi' does not create a distinction between the rival marks and that 'Desimochi' would suggest that it is the Indian brand of the plaintiff's mark 'Mochi'.

[*Metro Brands Ltd.* v. *Nice Shoes Ltd.* – Decision dated 18 November 2024 in Interim Application (L) No. 14867 of 2024 and Com IPR Suit (L) No. 14360 of 2024, Bombay High Court]



'Dolobene' and 'Doloban' – Petition for rectification of mark 'Dolobene' dismissed in absence of evidence of prior continuous use, limitation in filing and acquiescence

The Madras High Court has dismissed the trademark rectification petition on the grounds of inordinate delay in filing and for acquiescence falling under Section 33 of the Trade Marks Act, 1999. The Court also observed that since there was no oral and documentary evidence let in by the petitioner for proving that the petitioner was the prior and continuous user, the question of entertaining the petition does not arise.

The High Court in this regard noted that the petitioner had not disclosed its sales turnover from the date of registration of its trademark 'DOLOBAN', i.e, from 1994, till the date of filing of this petition. The petitioner had also not disclosed its sales turnover in respect of the trademark 'DOLOBAN' from 3 February 2004, which was the date of expiry of the petitioner's trademark 'DOLOBAN', till the date of filing of this petition. The Court also noted that there were no undisputed supporting documents (except for certain invoices which were disputed by the respondent) to support the petitioner's claim that they were in continuous usage of the trademark 'DOLOBAN', despite the expiry of trademark registration in 2004.

The defendant in this case had registered the mark 'Dolobene' in 2004 with use from 2000 in the same line of business – pharmaceuticals.

In respect of the delay, the Court noted that the rectification petition under Section 57 was filed only in the year 2014, i.e., after a lapse of 14 years (which was also not properly explained) from the date of registration of the respondent's trademark 'DOLOBENE'. Further, it was also of the view that having allowed the respondent to use the said mark beyond 5 years, the statutory principle of acquiescence as adumbrated under Section 33 would apply.

Dismissing the petition, the Court also noted that the respondent was using the other 'DOLO' series of trademarks and that the petitioner did not have any objection for the aforesaid marks of the respondent.

[*Mankind Pharma Limited* v. *Micor Labs Limited* – Order dated 28 November 2024 in (T) OP (TM) No.139 of 2023, Madras High Court]







News Nuggets

- Copyright infringement ANI sues OpenAI questioning use of news data for training models
- Trademark dispute over '6E' IndiGo, Mahindra Electric battle it out
- Trademarks 'Super Fuel' and 'Fuel' for different products?

Copyright infringement – ANI sues OpenAI questioning use of news data for training models

Asian News International (ANI) has recently filed a case in Delhi High Court challenging OpenAI's use of copyrighted news data for training artificial intelligence models of ChatGPT. As per news item reported by *ET LegalWorld.com* on 26 November 2024, as available <u>here</u> and <u>here</u>, the key legal issues include whether the storage and use of copyrighted material by OpenAI for generating responses constitutes infringement or qualifies as 'fair use' under Indian copyright law. According to the highlights of the news report, the outcome of this case can significantly impact the legal responsibilities of AI developers regarding copyright licenses and may lead to a surge in similar lawsuits from publishers and content creators.

Trademark dispute over '6E' – IndiGo, Mahindra Electric battle it out

Mahindra Electric, that unveiled is electric origin SUVs, with the BE 6e and XEV 9e brands recently has run into an issue with Indigo, a major airline in India, which is using the '6E' prefix as its callsign since 2006. IndiGo has filed a lawsuit against Mahindra Electric Automobile Limited over the use of '6E'. Meanwhile, as per *Business Today* news report available <u>here</u>, Mahindra has stated that it has decided to brand its products 'BE 6', but will strongly contest the issue in court and that it reserves its right to the brand name 'BE 6e'.

Trademarks 'Super Fuel' and 'Fuel' for different products?

The Madras High Court has directed the Registrar of Trademarks to permit the appellant to publish its trademark 'SUPER FUEL' in the trademark journal. The High Court in this regard stated that if thereafter the Registrar receives any opposition petition from any third party for registration of the mark, the said opposition petition can be considered on merits.

Quashing the order refusing to register the appellant's trademark 'SUPER FUEL' under Section 11 of the Trade Marks Act, 1999, the Court noted that the trademark registration was applied for registration under Class-32 in respect of non-alcoholic beverages, whereas another application as relied upon by the Registrar in the impugned order to deny the registration pertained to a trademark by name 'FUEL' for beers, mineral and aerated waters and other non-alcoholic drinks, fruit drinks and fruit juices, syrups and other preparations for making beverages.



News Nuggets

The High Court in *Monster Energy Company* v. *Registrar of Trademarks* [Judgement dated 7 November 2024] was thus of the view that unless and until the appellant is permitted to publish

its trademark 'SUPER FUEL' in the trademark journal, the question of rejecting the appellant's application at this stage does not arise.



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Contact Us

NEW DELHI 7th Floor, Tower E, World Trade Centre, Nauroji Nagar, Delhi – 110029 Phone : +91-11-41299800, +91-11-46063300 E-mail : Lsdel@lakshmisri.com , Iprdel@lakshmisri.com	MUMBAI 2nd floor, B&C Wing, Cnergy IT Park, Appa Saheb Marathe Marg, (Near Century Bazar)Prabhadevi, Mumbai - 400025 Phone : +91-22-30567800/30567801 E-mail : <u>Isbom@lakshmisri.com</u>
CHENNAI Door No.27, Tank Bund Road, Nungambakkam, Chennai 600 034 Phone : +91-44-2833 4700 E-mail : <u>Ismds@lakshmisri.com</u>	BENGALURU4th floor, World Trade Center, Brigade Gateway Campus, 26/1, Dr. Rajkumar Road,Malleswaram West, Bangalore-560 055.Phone : +91-80-49331800Fax:+91-80-49331899E-mail : lsblr@lakshmisri.com
HYDERABAD'Hastigiri', 5-9-163, Chapel Road, Opp. Methodist Church, Nampally, Hyderabad - 500 001Phone : +91-40-2323 4924E-mail :E-mail :Ishyd@lakshmisri.com	AHMEDABADB-334, SAKAR-VII, Nehru Bridge Corner, Ashram Road, Ahmedabad - 380 009Phone : +91-79-4001 4500E-mail : lsahd@lakshmisri.com
PUNE 607-609, Nucleus, 1 Church Road, Camp, Pune-411 001. Phone : +91-20-6680 1900 E-mail : lspune@lakshmisri.com	KOLKATA6A, Middleton Street, Chhabildas Towers, 7th Floor, Kolkata – 700 071Phone : +91 (33) 4005 5570E-mail : liskolkata@lakshmisri.com
CHANDIGARH 1st Floor, SCO No. 59, Sector 26, Chandigarh -160026 Phone : +91-172-4921700 E-mail : <u>lschd@lakshmisri.com</u>	GURUGRAM OS2 & OS3, 5th floor, Corporate Office Tower, Ambience Island, Sector 25-A, Gurugram-122001 phone: +91-0124 - 477 1300 Email: <u>Isgurgaon@lakshmisri.com</u>
PRAYAGRAJ (ALLAHABAD) 3/1A/3, (opposite Auto Sales), Colvin Road, (Lohia Marg), Allahabad -211001 (U.P.) Phone : +91-532-2421037, 2420359 E-mail : <u>Isallahabad@lakshmisri.com</u>	KOCHI First floor, PDR Bhavan, Palliyil Lane, Foreshore Road, Ernakulam Kochi-682016 Phone : +91-484 4869018; 4867852 E-mail : <u>lskochi@laskhmisri.com</u>
JAIPUR2nd Floor (Front side), Unique Destination, Tonk Road, Near Laxmi Mandir Cinema Crossing, Jaipur - 302 015 Phone : +91-141-456 1200E-mail : lsjaipur@lakshmisri.com	NAGPURFirst Floor, HRM Design Space, 90-A, Next to Ram Mandir, Ramnagar,Nagpur - 440033Phone: +91-712-2959038/2959048E-mail : lsnagpur@lakshmisri.com

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