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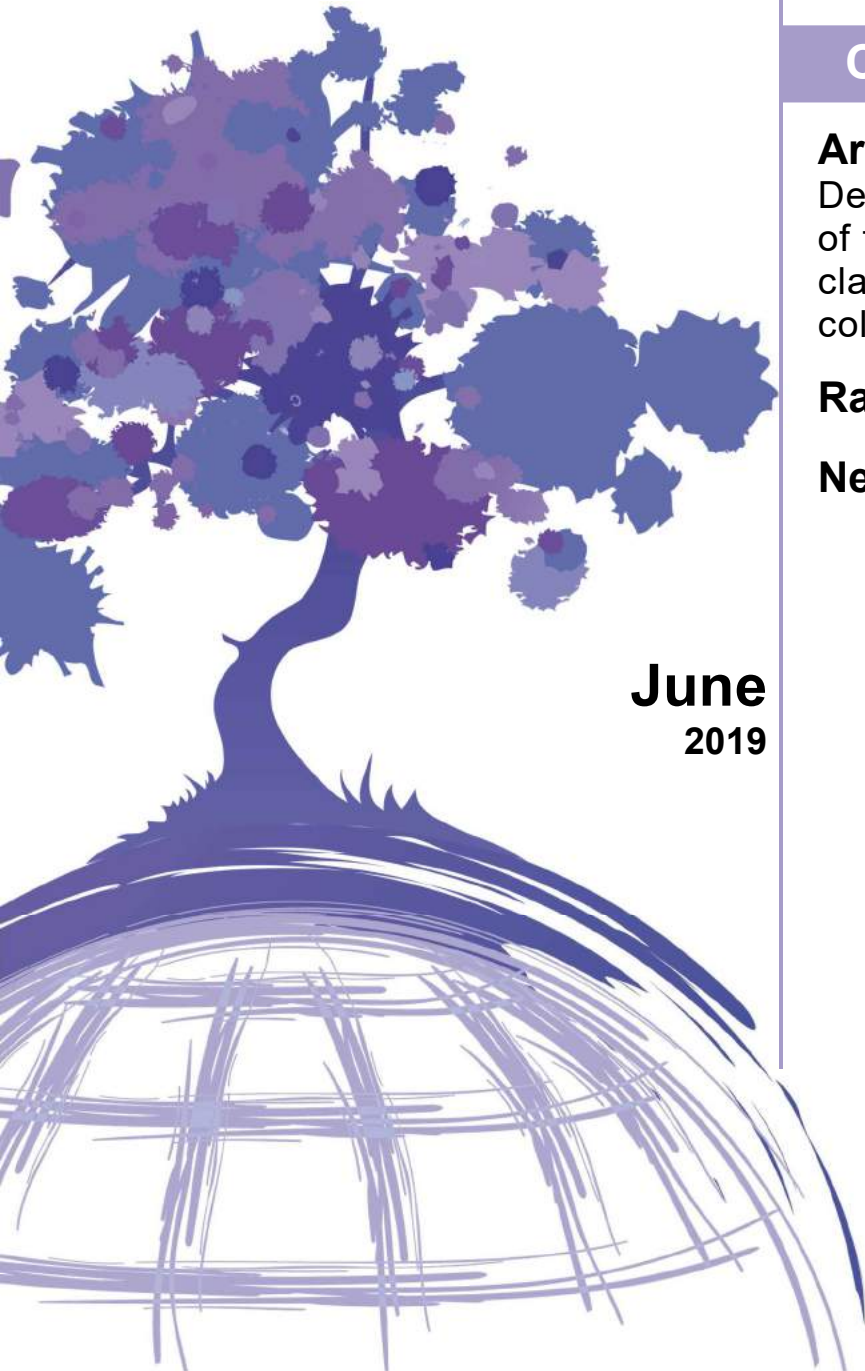
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## Article

### Design protection - Mere placement of few different straps, holes or claims on certain combination of colours not enough

By Ashna Pruthi

A Single Judge of the Delhi High Court *vide* its interim order dated May 06, 2019 in the case of *Relaxo Footwears Limited v. Aqualite India Ltd. & Anr.*<sup>1</sup> vacated the *ex-parte* ad-interim injunction passed on December 14, 2018 in favour of the Plaintiff, restraining the Defendants from manufacturing, selling, offering for sale, advertising, importing, exporting or dealing in the impugned product or any other product consisting of fraudulent imitation of the Plaintiff's registered design. The Ld. Single Judge while vacating the ad-interim injunction held that the Plaintiff lacks a *prima facie* case and the balance of convenience lies in favour of the Defendants who shall suffer irreparable loss if the ad-interim injunction is allowed to continue.

#### Brief facts

The Plaintiff registered a design for a footwear (*slipper*) on June 21, 2017 bearing the Design No. 294938. The design of footwear was claimed by the Plaintiff to be novel and original consisting of specific and particular surface pattern, cuts, ridges and graphics making the design of the slipper unique. The design in question was conceptualized, created and designed by a UK based design agency, M/s The Footsoldiers on behalf of the Plaintiff. *Vide ex-parte* ad-interim order dated December 14, 2018, the defendants were restrained from manufacturing, selling, offering for sale, advertising, importing, exporting or in any manner

dealing in the registered design or any product that is a fraudulent imitation of the Plaintiff's registered design amounting to piracy.

The case of the Plaintiff was that the Defendants have fraudulently imitated the said design of the Plaintiff by blatant and verbatim imitation of each and every element of the registered design leading to Piracy of the registered design under Section 22 of the Design Act, 2000. In order for a design to receive protection under the Designs Act, 2000, an applicant has to fulfil the requirements of Section 4 of the Designs Act, 2000 i.e. the design

- a) should be new or original; or
- b) should be distinguishable from known designs or combination of known designs; or
- c) should not be disclosed to the public anywhere in India or in any other country by publication in tangible form or by use prior to the filing of the application or before the priority date of the application for registration; or
- d) should not contain any scandalous or obscene matter.

The Ld. Single Judge on January 30, 2019 directed the Plaintiff and the Defendants to conduct a market survey in order to ascertain the availability of any third party products bearing the design in question. The survey was carried out by the representatives of the parties on February 05,

<sup>1</sup> CS(Comm) 1288/2018 & I.As. 17103/2018, 1419/2019

2019 wherein they came across various third parties selling products bearing the identical design as that of the Plaintiff.

### *Contention of parties*

The Defendants contended that the Plaintiff's registered design did not fulfil the criteria of novelty or originality as laid down under Section 4 of the Act and therefore, the registration of the said design is not valid. The Defendants argued that the Plaintiff has misled the Hon'ble Court as the design application of Plaintiff disclaimed any exclusive right to the use of colours or colour combinations appearing on the design at the prosecution stage whereas, the Plaintiff informed the Hon'ble court that it had claimed novelty over the combination of colours on the front surface of the mould of the design. Further, the Defendants contended that mere addition of three-four lines of different colour on a footwear does not make the design of the footwear novel.

The Plaintiff on the other hand contended that the tag of Maximum Retail Price (MRP) on the products of the Defendants was placed in an identical position as that on the Plaintiff's footwear. However, in response to the same, the Defendants argued that the application for the design in question disclaimed any and all exclusive rights to the use of the words, letters, numerals, flags etc. appearing on the design. Accordingly, the Plaintiff could not take plea of the identical positioning of MRP tag in order to allege piracy of the registered design as the same does not constitute a novel or original feature.

The Plaintiff further argued that the reliance upon *Crocs Inc USA v. Liberty Shoes Ltd.*<sup>2</sup> by the Defendants was misplaced as the design in question in the cited case was the 'shape of the

article' i.e. features comprising functionality of the product in question like holes, perforations, straps etc. whereas the design in question in the present case are the artistic, graphic and design elements applied on the product irrespective of the shape of the product. Secondly, the Defendants in *Crocs Inc USA v. Liberty Shoes Ltd.* (*supra*) were able to prove prior publication through cogent evidence whereas in the present case, the Defendants have failed to provide any such evidence showing prior publication of the design in question.

The Plaintiff placed reliance on *Bharat Glass Tubes Ltd. v. Gopal Glass Works Ltd.*<sup>3</sup> and *Dart Industries v. Polyset Plastics Pvt. Ltd.*<sup>4</sup> wherein it was observed that the burden of proof that a design is not novel lies on the Defendant and unless the Defendant is able to provide the lack of novelty through concrete evidence, the *prima facie* assumption of validity will be in favour of the Plaintiff. Accordingly, it was argued that the Defendants did not place any material or evidence on record to show that the Plaintiff's design is not novel. Further, the prior art produced by the Defendants was substantially different in terms of the number and placement of stripes and strap design from the registered design of the Plaintiff. The Defendants in response to the same argued that the registered design of the Plaintiff was already in public domain long before the filing of the application by the Plaintiff for the same. The Defendants argued that Fujian Province Jinjiang City Foreign Trade Co. Ltd, China, an exporter company and mould maker of the Plaintiff had disclosed *vide* a letter and affidavit dated January 18, 2019 that the strap of the design in question was introduced in the market approximately seven to eight years ago and the same had gained popularity since 2015. Further, the placement of straps on the

<sup>2</sup> CS (Comm) No. 772/2016

<sup>3</sup> 2008(37) PTC 1 (SC)

<sup>4</sup> 2018 (75) PTC 495 (Del)

surface pattern of the footwear too lacks novelty as identical straps have been in production under the brand name 'Showaflops' much prior to the adoption of the design by the Plaintiff. The product 'Showaflops' is available for sale on its official website [www.showaflops.com](http://www.showaflops.com) and the e-commerce portal [www.amazon.com](http://www.amazon.com). The said product was purchased by customers and reviews with respect to same were posted in the month of May 2017. Therefore, the registered design of the Plaintiff is not novel as an identical design was already in public domain by June 2017 and the said design is also common to trade with respect to the claim of straps on surface pattern, lines on strap and holes on the side of strap. It was also contended that there are numerous third parties selling products bearing the identical design in the market.

On the point of claims by the Plaintiff that the design in question was conceptualized and created by M/s. The Footsoldiers, the Defendants submitted that the Plaintiff had stated in their plaint that the said design was created by the Plaintiff's in-house design team in 2017. Further, no documentary evidence was placed on record to show that there was any agreement between the Plaintiff and M/s. The Footsoldiers to prove that the designing of the footwear was entrusted to the said entity. Therefore, the Plaintiff was making fictitious claims with respect to the design of the footwear being created by M/s. The Footsoldiers.

### *Decision of the court:*

The Single Judge observed that the results of the market survey conducted on February 05,

2019 established that identical design as that of the Plaintiff was available in the market and the claiming and disclaiming of combination of colours and placement of MRP tag before the court and at the prosecution stage respectively goes to show the inconsistent stand taken by the Plaintiff. Further, the affidavit dated January 18, 2019 by Fujian Province Jinjiang City Foreign Trade Co. Ltd certifying that the strap of the design was introduced in the market seven to eight years ago prove that the plaintiff's design lacks novelty and the same in common to trade. Accordingly, the application of the Plaintiff seeking interim injunction was dismissed and the ad-interim injunction passed against the Defendants was vacated.

### *Conclusion*

The instant case shows that in determining the novelty or originality of a design in question during the application for registration of a design, mere placement of few different straps, holes on a design or claims on a certain combination of colours would not afford protection for a design. An application for registration of a design is required to be novel and original in essence and the same should not exist as a prior art anywhere in the world before the filing of the said application for registration by the Applicant. The Plaintiff's registered design in the present case was a mere trade variant of the age old design for a footwear and therefore, could not be granted protection.

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## Ratio decidendi

### Copyrights – Architect cannot restrain building owner from demolishing it

The Delhi High Court has held that the Plaintiff's (architect's) copyright in the work of architecture does not extend to any rights over the building based on the architecture such that plaintiff can seek damages for demolition of the said building. The question before the Court was whether an architect, as author of artistic work of architecture in the form of a building and having a copyright therein, has a right to restrain the owner from demolishing the said building and if the building has been demolished, to demand compensation. The Court observed that unless a right to prevent the owner of the land, on which the artistic work of the architecture is executed, from using his land, is expressly provided, the owner of land cannot be so excluded in the garb of copyright. It took note of the various judgments of the Supreme Court on right to property and held that when the Constitution in Article 300-A mandates that no person shall be deprived of his property save by authority of law, no law unless expressly providing for deprivation of property can, by implication be interpreted as depriving a person of his property.

Dismissing the copyright infringement suit, the Court, however, acknowledged that the Plaintiff may have rights under Section 57 of the Copyrights Act in cases where the building based on the protected work of architecture was so altered such that it looks otherwise than as designed by the author / architect. It held that the embargo under the said provisions is only to making the copyrighted work look something other than as created and not against effacing the copyright work.

The Court also noted that the defendants also owe a duty to the plaintiff, whose work and creation was embodied in the building/structure, to inform in advance of the demolition and explain to the plaintiff their reasons therefor and to give an opportunity to him to do whatsoever he desired with the building before demolishing it. [*Raj Rewal v. Union of India* – Decision dated 28-5-2019 in CS (COMM) 3/2018, Delhi High Court]

### Design registration – Argument of functional differences, not material

The Calcutta High Court has upheld the Controller's Order cancelling the design registration in respect of Coaster Brake Hub because it was not significantly distinguishable from the prior design of the Russian model published earlier (in Velo Bike Special Issue). The Controller had opined that the modifications and variations in the appellant's design are not sufficient to alter the broad features of shape, configuration and pattern or the identity of the prior design. The Court was also of the view that the impugned design is devoid of newness and originality and that a design with substantial identity of a prior published design is to be cancelled.

The appellant had argued that the Controller erred in law in cancelling the registered design only on the ground that the differences in the said registered design are 'more attributable to function'. According to the appellant, the right test would be whether it is 'solely functional' or 'a mere mechanical device' and not 'more functional'. The Court however noted that design is concerned with both form and function and that the design law not seeks to reward advances in function.

Dismissing the appeal, the Court held that it cannot be argued that functional features are different. It observed that predominance and pre-eminence of the aesthetic elements over the functional elements would satisfy the definition of 'design' under the Act. It was also observed that trade variant without significant noticeable features would destroy its novelty. [*International Cycle Gears v. Controller of Patents and Designs* – Judgement dated 10-5-2019 in AID No.3 of 2012, Calcutta High Court]

### Trademarks - Passing off in part of registered mark when can be claimed

Treating the suit as for passing off and not for infringement, the Delhi High Court has held that a party can file for action of passing off to claim exclusivity in part or whole of its registered trademark if a dishonest user tries to take shelter under sub-section 17(2) of the Trademarks Act. Observing that the plaintiff was prior user of the mark ZEN and ZEN MOBILE for mobile phones, the Court held that the test of passing off was satisfied.

It also observed that the defendant itself had applied for the registration of ZENFONE and hence cannot contend that ZEN is a generic mark. Further, observing that a word may be generic *qua* a specific business or trade or industry but not across the board for all business or trades or industries, it was held that though ZEN is a generic word *qua* a school of Buddhism, yet it is not a generic mark with regard to mobile phones.

The Court was also of the view that mere filing of a search report from the Trade Mark Office does not prove that the mark mentioned in the search report is actually being used by the third parties. [*Telecare Network India Pvt. Ltd. v. Asus Technology Pvt. Ltd.* – Decision dated 28-5-2019 in CS (COMM) 731/2017, Delhi High Court]

### Patents - Infringement by marketing approval for a species of a patented genus

The Delhi High Court has granted interim injunction restraining the defendants from manufacturing, selling and distribution of plaintiff's patented product *Lorcaserin* or any of its pharmaceutical salts.

The contention of the defendant that the patent does not cover *Lorcaserin Hydrochloride Hemihydrate* for which the defendants had obtained a marketing approval, was rejected. It was held that merely because the plaintiffs have subsequently applied for a patent separately for a specific species of the genus disclosed in the suit patent, it does not mean that the species patent cannot be granted or that the species patent would not fall within the coverage of the genus patent (i.e. the suit patent in the present case). The Court was *prima facie* of the view that the grant of a subsequent patent, which is an improvement invention, does not take the said forms out of the first/basic patent.

The Court observed that the defendant went ahead and sought marketing approval of the drug without first invoking revocation proceedings or attempting to obtain a compulsory licence under Sections 83 and 84 of the Patents Act and held that non-working of a patent particularly for a pharmaceutical product cannot have a bearing on the rights of a patentee under Section 48 of the Patents Act, 1970. [*Eisai Co. Ltd. v. Satish Reddy* – Decision dated 6-5-2019 in CS(COMM) 1169/2018, Delhi High Court]

### Trademarks - Essential feature being same, trade origin immaterial in infringement

Observing that the plaintiff is registered and prior user of word CONCRETO, the Delhi High Court has confirmed *ex-parte ad interim* order against the defendant. It held that in infringement cases if

essential features adopted are same, then marked differences in get-up, packaging or trade origin are immaterial. The Court observed that only difference between plaintiff's mark CONCRETO and defendant's mark CONCRETA is that of O replaced by A whereas the most essential part of registered trademark is visually and phonetically same. It was held that that owing to the registration of the word mark CONCRETO, use of a virtually identical mark CONCRETA amounts to infringement of the plaintiff's mark by the defendants.

The Court was also of the opinion that merely because there are a few other parties using a mark which is deceptively and confusingly similar to that of the plaintiff's mark, the plaintiff is not estopped from taking action against the defendants.

The Court rejected the contention of the defendant that the word "Concrete" was interchangeable with "cement" and was used descriptively by many manufacturers in the industry in relation to their products. The defendants had also stated that the word "Concreto" was the word for "cement" in a number of languages such as Spanish, Portuguese, Italian, etc. The Court however was of the view that as defendants themselves had applied for registration of the mark CONCRETA, they cannot assert that the plaintiff's mark is descriptive or that it is too similar to the generic word 'concrete'. [*Nuvoco Vistas Corporation Ltd. v. JK Lakshmi Cement Ltd. – Judgement dated 15-4-2019 in CS (COMM) 256/2017, Delhi High Court*]



## News Nuggets

### Non-naturally occurring delivery method of a natural chemical is patentable

The US District Court for the district of Colorado has held that a patent directed to a non-naturally occurring delivery method of naturally occurring chemicals, thereby not directed towards a natural or any abstract law as per the *Alice* test, is not ineligible. The Court in the case of *United Cannabis Corp. v. Pure Hemp Collective* observed that the patent provides cannabinoids in a distinct liquid form and even specifies threshold concentrations of cannabinoids and related chemicals, which the defendant nowhere claims to occur in liquid form in nature.

### Patent directed to application and not natural law itself is valid

The US Court of Appeals for the Federal Circuit has reversed a District Court order and found that the claim was not directed to a natural law but was an application of it. It noted that method claims at issue were treatment claims, using a natural product in unnatural quantities to treat a patient with specific dosages outlined in the patent. The Court in the case of *Natural Alternatives v. Creative Compounds* found that the patent in natural food supplements to compensate reduced nutrition in diet, was non-conventional as here natural products were isolated and incorporated into dosage which is not natural.

### Patents – Remand in case of non-appreciation of material of expert

The Delhi High Court has set aside the Controller's Order as it had failed to consider the material of experts placed by the petitioner. It held that even if the Controller had rejected the contentions of the expert as being irrelevant, the same was to be indicated. The Court in the case of *Regents of the University of California v. Uol* also found that post-hearing written submissions cannot expand the scope of submissions made in the oral hearing and that notice for rejection of the patent was to be given. The impugned order since it accepted the arguments raised by the respondent after conclusion of the hearing, was held to be not sustainable. It however also held that pre-grant opposition merely requires statement of evidence.

### No party to litigation can be allowed to blow hot and cold at the same time

Observing that the defendant had sought for registration of the impugned design, thus asserting that the design was capable of registration, the Delhi High Court has held that defendant cannot contend that the petitioner's design is not novel. The Court in the case of *Pentel Kabushiki Kaisha v. Arora Stationers* granted injunction against the respondents for *prima facie* case of piracy of design and held that any party to litigation cannot be allowed to approve and reject or blow hot and cold at the same time. Bombay High Court's Division Bench decision in the case of *Asian Rubber Industries v. Jasco Rubbers* was relied on.



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