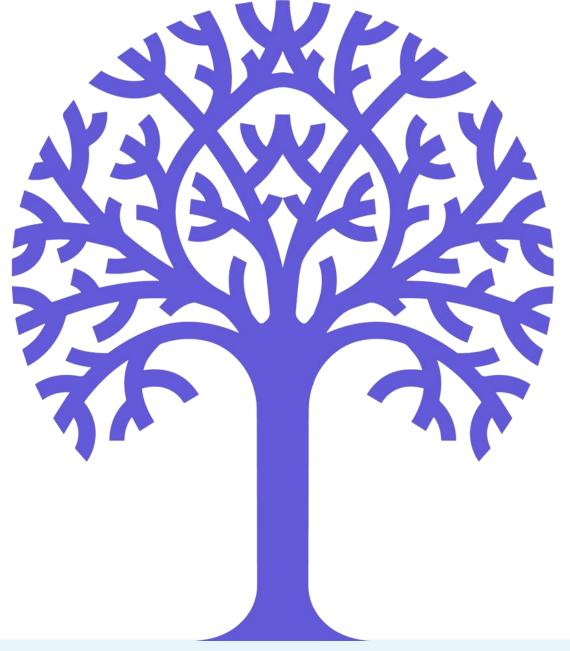


**IPR** An e-newsletter from Lakshmikumaran & Sridharan,



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### Article

Recombinant Salmonella is a 'discovery' under Section 3(c), rules Delhi High Court

By Malathi Lakshmikumaran and Supriya Ramacha

The Delhi High Court recently upheld the Controller's decision refusing a patent application for not being patentable subject matter as amounting to 'discovery' under Section 3(c) of the Indian Patents Act, 1970, and for failing to meet the requirements of sufficiency under Sections 10(4) and 10(5) of the Act. Discussing the decision of the Court threadbare, the article observes that the judgment leaves certain questions unanswered in the minds of a reader, particularly with respect to the applicability of Section 3(c) of the Act. According to the authors, there was scope for certain arguments (as discussed in the article) that could have been made and considered. Further, the authors also believe that considering that naturally occurring substances are not patentable in US as well, it was unfair that the applicant faced rejection in India for similar subject matter granted by the USPTO.

### Recombinant Salmonella is a 'discovery' under Section 3(c), rules Delhi High Court

In a recent judgment, the Delhi High Court upheld the Ld. Controller's decision refusing a patent application for not being patentable subject matter as amounting to 'discovery' under Section 3(c) of the Indian Patents Act, 1970 ('Act') and for failing to meet the requirements of sufficiency under Sections 10(4) and 10(5) of the Act.

### Background of the case

The subject patent application was IN201717005699 by THE REGENTS OF THE UNIVERSITY OF CALIFORNIA titled 'VACCINE FOR LIVESTOCK PRODUCTION SYSTEMS' filed at the IPO on 17 February 2017, for which a hearing notice was issued on 22 November 2021. The Controller's refusal on the written submission by the Applicant, filed on 7 December 2021, was for a total number of five amended claims, of which amended claims 1 to 4 were drawn towards a recombinant *Salmonella* microorganism, and the amended claim 5 was directed to a vaccine composition having the recombinant *Salmonella* for inducing an immune response in a subject.

The refused claim 1 was as follows:

### By Malathi Lakshmikumaran and Supriya Ramacha

"A recombinant Salmonella microorganism, wherein said microorganism comprises a loss of function mutation in the dam gene and at least one further sifA, spvB and mgtC in a gene selected from the group consisting of: sifA, spvB and mgtC wherein the microorganism is a Salmonella enterica subsp. Enterica serovar selected from the group consisting of S. Typhimurium, S. Enteritidis, S. Dublin, S. Newport, S. Choleraesuis, and S. Bovismorbificans".

#### Decision

At the outset, let's take a look at the points analysed by the Hon'ble Court in this judgement. The Court assessed:

- if the claims 1 to 5 have been sufficiently disclosed as required under Section 10(4) and 10(5) of the Act; and
- if claims 1 and 2 constitute non-patentable subject matter under Section 3(c) of the Act.

### Insufficiency

As regards the objection under Section 10(4) and 10(5) of the Act, the High Court in view of the requirements under these provisions, analysed the subject application in the light of the



complete specification and the amended claim. Particularly, the requirement of <u>sufficiency of disclosure was analysed under Section 10(4)</u> of the Act and the <u>extent or scope of the claims</u> was analysed under Section 10(5) of the Act.

From the Patent Office's refusal order ('impugned order') of the subject application, it is revealed that the refusal was based on the assertion that the claims 1-5 do not satisfy Section 10(4) and 10(5) of the Act as it lacks support, clarity, disclosure and definiteness over the entire scope of claimed subject matter. At the outset, the reasoning relied by the Patent Office was incorrect, as it failed to rely on the breadth of the claim scope for assessing sufficiency. Merely because the claimed subject matter is considered as having *a range of possibilities* does not *ipso facto* render it insufficient. If such a stance is taken, Markush claims would never cross the sufficiency threshold.

In the claim, the recombinant *Salmonella* is defined as one having a <u>loss of function mutation in the dam gene</u>, in addition to a <u>loss of function mutation in at least one of sifA</u>, spvB or mgtC <u>genes</u>. Particularly, the invention relates to double mutants of *Salmonella* for use as vaccines. In refusing the amended claims, the impugned order incorrectly asserted that *innumerable* permutation and combinations are possible, and therefore, the complete specification lacks adequate support for the full

extent of the claims. For this too, the Patent Office incorrectly equated breadth in claim scope as being an indication for insufficiency. It is pertinent to note that for biotech inventions (as opposed to other technological inventions), due regard has to be given to core aspects of the claimed technology. In the present case too, due regard had to be given as genes of closely related species or sub-species are essentially similar. Therefore, if there is teaching for one species or sub-species, considering the similarity in genetic structure, a 'person skilled in the art' without conducting would expect, any experimentation, the teaching to equally apply for related species and sub-species. This would only be applicable if there are no other unique differentiating aspects that are present (which was not the case in the present application).

In examining if there was sufficient disclosure, the Hon'ble Court analysed the relevant extracts of the specification, and the subject matter claimed. The Court reasoned that the claims of the subject patent application covered and encompassed various types of loss of function mutations in selected genes of Salmonella microorganisms. The Court also acknowledged that the detailed description further specified the relevance of these genetic mutations. However, as per the Court, the detailed description clarified that the target genes do not necessarily



need to be deliberately mutated if the expression of the native gene product is functionally disrupted in some way. As per the Court, this broadens the scope of the subject patent application to include any method of gene disruption, not limited to deliberate genetic modifications. The Court also observed that the detailed description ought to ensure that the subject patent application does not cover naturally mutated Salmonella microorganism, which is excluded under Section 3(c) of the Act.

It is important to note that this reasoning side steps to not only the technical aspects but also to the manner in which sufficiency may be ascertained. For example, based on the reading of the detailed description of the impugned application, it is clear that gene disruptions involving the specific genes identified in the claim will always be deliberate. It is unclear as to why this aspect was not submitted by the Appellant and brought to the attention of the Court. Secondly, the requirement under Section 10(4) and (5) only requires that the invention be sufficiently disclosed such that persons skilled in the art are able to work the claimed invention, without any undue experimentation. Therefore, unless it is shown that the claimed invention is unable to be worked by a person skilled in the art based on the description in the specification, sufficiency

is established. Besides the arguments pertaining to the deliberate versus natural mutations, it is unclear as to why the standard of undue experimentation was not pursued by the Appellant.

The specification in the examples provides sufficient details on construction of *S. Typhimurium* vaccine candidates. It discloses vaccine candidates prepared by introducing an inframe 300 bp *deletion* of defined *dam* sequence (termed damA232) to obtain a parent *S. Typhimurium UK-1 damA232 strain* which is then engineered to introduce the *second deletion mutations* to obtain the double mutant candidates *dam mgtC*, *dam sifA*, and *dam spvB*.

With respect to the requirements under Section 10(4)(a) and 10(4)(b) of the Act, the Court held that the complete specification does not fully disclose the inventive contribution to cover *insertion and substitution mutations*, an aspect which is covered under amended claim 1 and specifically recited in amended claim 2. The Court held that the lack of specific disclosures in respect of insertion and substitution mutations results in an insufficiency of disclosure, which renders the subject patent application non-compliant with the mandatory requirements under Section 10(4)(a) of the Act.



In this context, it is stated that in biotechnology, it is wellunderstood that a loss-of-function mutation is a genetic change that reduces or eliminates the normal function of a gene or protein. However, the claimed invention was not for mutating or effecting the genetic change, but lies in identifying the genes in specific organisms that can be mutated to reduce or eliminate the normal function of the said genes. Such mutations can be brought about by any mechanism – as long as the genes are mutated to alter the normal function of said genes, the object of the claimed subject matter is achieved. The inventive concept therefore lies in this identification of the genes in the specific organisms that results in the reduction or elimination of the normal function of the said genes. It is again reiterated that the inventive concept is not dependent on the mode of mutation, that is, whether the mutation is by deletion, insertion or substitution, but in the identification of genes that can be *mutated*. At the risk of oversimplification, an example to explain this is, any disruption in the series of crucial steps or key ingredients of baking a cake, will result in a bad cake. This is irrespective of whether the disruption is by way of adding more or adding less ingredients or by performing the crucial steps for a longer duration or shorter duration or not at all.

In the light of the above, even if the specification does not exemplify construction of double mutants by insertion or substitution mutations, considering the common general knowledge available in the field, would a person skilled in the art in practising the invention be faced with a burden of undue experimentation? It appears that these aspects were not agitated before the Court. The Judgment does not analyze this aspect, and it is not clear if the Bench was made aware of the common general knowledge in relation to loss-of-function mutation. Without such analysis, the conclusion that the complete specification is not sufficiently disclosed may not be entirely justified.

As regards the objection on Section 10(5), the Court by referring to AGFA NV & Anr. v. The Assistant Ld. Controller of Patents and Designs & Anr, and Novartis AG v. Union of India and Ors, analysed clarity and scope of the claimed subject matter.

Section 10(5) of the act requires that,

"the claim or claims of a complete specification ...., <u>shall</u> be clear and succinct and <u>shall</u> be fairly based on the matter disclosed in the specification."

In this regard, the Appellant's contention that the claim only covers seven combinations of loss of function mutations



for each organism, thus for six organisms, the total combinations would be limited to 42 combinations (7 x 6, where 7 is the number of combination and 6 is the number of Salmonella subspecies referred in claim 1), failed before the Controller as missing out to consider the possibilities arising out of the types of mutations. The Hon'ble Court affirmed the Ld. Controller's findings that the loss of function mutation consisting of an insertion, deletion and/ or substitution of one or more nucleotides results in numerous permutations and combinations in the organisms. The Court held that "the claim fails to provide a clear and precise definition of the full scope of recombinant Salmonella organisms...", and "claiming of insertion and substitution mutation cannot be considered to be fairly based on the subject matter disclosed in the specification...", and hence the claims do not meet the requirement of Section 10(4)(c) and 10(5) of the Act.

The Court held that the claims of the subject patent application fail to provide a clear and precise definition of the full scope of recombinant Salmonella organisms covered in the subject patent application, even after a conjoint reading of the claims and the complete specification. Moreover, the claiming of insertion and substitution mutation will not be considered to be fairly based on the subject matter disclosed in the

specification, on account of the absence of detailed support or working embodiments demonstrating these mutations. It is not clear from whose perspective the above understanding stems. If this is from the perspective of the 'person skilled in the art', there must be some basis to suggest that on reading the claims and specification, the scope is unclear or not discernible to such person skilled in the art.

With regard to the 6 sub-species, it is unclear if arguments and considerations were made on the aspect of conservation of genes across the subspecies. Notably, this aspect was not considered by the Court as well. It is known to a person skilled in the art that gene sequences are highly conserved across subspecies, and hence an argument can be made that double mutations in the specified genes would have similar effect across all the 6 subspecies. A simple search for sequence homology of the specified genes in the subspecies would reveal that these are conserved genes, and hence exemplification in one subspecies should be sufficient to enable a person skilled in the art to practice the invention across the other subspecies as well.

Further, considering the absence of sufficient disclosure under Section 10(4)(a) and 10(4)(b) as determined by the Court, and the lack of public availability of the claimed recombinant



Salmonella microorganism, the Applicant's failure to deposit the claimed microorganism was held as being non-compliant with the requirements under Section 10(4), particularly 10(4)(d)(ii), of the Act. It appears that this objection is consequential to the refusal under Section 10(4)(a) and 10(4)(b), as a deposit of the biological material with an International Depository Authority (IDA) under the Budapest Treaty is only required *if the biological material mentioned is not described in the complete specification in such a way as to satisfy clauses* (a) and (b) of Section 10(4) of the Act; and if the said biological material is not available to the public.

#### Non-patentability uls Section 3(c)

Further, the High Court's reasoning to adjudicate that the claimed subject matter was 'discovery' under Section 3 (c) of the Act, leaves room for discussion. The Court, in its judgment, analyses the aspect of patentability of the claimed subject matter under Section 3(c) in conjunction with the objections under Section 10(4) and 10(5) of the Act.

Section 3(c) of the Act excludes "...discovery of any living thing or non-living substance occurring in nature...".

Considering that the claimed recombinant *Salmonella* is a living thing, should a recombinant *Salmonella* having mutations

deliberately introduced by human intervention be considered as "discovery of a living thing"?

The basis of this refusal under Section 3(c) in the impugned order is that the claims are **very broad and wide and cover any naturally occurring** *Salmonella* with a loss of function mutation in the dam gene and at least one further loss of function mutation in a gene selected from the group consisting of: sifA, spvB and mgtC.

At the outset, the refusal order fails to provide any evidentiary basis to support this rejection. It is unclear as to how the Ld. Controller concluded that the recombinant *Salmonella* may be naturally occurring. In such instance, the burden of proof that the claimed recombinant Salmonella exists in nature, rests on the Ld. Controller. In the absence of such proof, the Applicant is left with no proper direction on providing a befitting rebuttal.

The Delhi HC, in this regard, by referring to the disclosure made in the complete specification, held that the subject patent application is so broad that it covers naturally occurring mutations, i.e. endogenous mutations, as well. Hence, it appears that the decision on Section 3(c) is:



- irrespective of the fact that the mutations were introduced by human intervention; and
- based on the assumption that the double mutants with loss of function of dam gene and sifA/spvB/mgtC gene may occurs in nature.

The judgment further states that "unless the subject patent application has been sufficiently disclosed with enabling disclosure and with clear claims, there shall be a serious prejudice that the endogenous mutations claimed in the subject patent application could cover those present naturally and would consequently be non-patentable under Section 3(c) of the Act.", which is unclear.

The above position and reasoning of the Delhi High Court may potentially render unpatentable, any recombinant microorganism. Although very remote, there may always be a possibility that a claim on a recombinant version could potentially cover naturally occurring organisms, given the dynamic nature of naturally evolving microbes and that somewhere in the world these microbes may naturally exist. Therefore, an inquiry under Section 3(c), ought to essentially involve a factual determination whether such an organism 'occurring in nature'. However, without actual evidence or material to suggest such naturally occurring micro-organisms exist, precluding an invention involving recombinant micro-

organism as discovery under Section (c) of the Act, on a mere surmise and conjecture, is not justified.

If we were to base the applicability of Section 3(c) on the assumption that endogenous mutations may exist naturally, it is not clear as to how any mutated microorganism can be patentable even if the claim clearly define the specific mutation. In other words, there is no certainty that limiting the claim to deletion mutations would bring the Applicant's claim outside the scope of Section 3(c), for there may still be double mutants having such deletion mutations irrespective of the clarity of claims. This brings us to the question of what is the test for applicability of Section 3(c)?

The Controller has acknowledged the Novelty of the invention. Hence, meeting the requirement of Novelty under the Act should be sufficient to bring the subject matter outside the scope of Section 3(c) of the Act.

Now, considering the aspect of human intervention, would the expression 'recombinant' in the claim be sufficient to overcome Section 3(c) of the Act? The Appellant in this case introduced the expression 'recombinant' in response to the objection under Section 3(c) of the Act. The expression 'recombinant', in general, refers to 'genetically engineered', and clearly indicates presence of human intervention in



creation of the microorganism. An argument that a substance created with human intervention does not fall within the scope of Section 3(c), may also find support in *Health Protection Agency* v. *The Ld. Controller General of Patents and another*. Hence, <u>surely a recombinant organism cannot be considered as a discovery</u>. The Hon'ble Court, however, has not considered these factors in adjudicating this instant case.

#### Conclusion

While the judgment leaves certain questions unanswered in the minds of a reader, particularly with respect to the applicability of Section 3(c) of the Act, it can be said that there was scope for certain arguments that could have been made and considered. Notably, the corresponding EP and US applications were granted. Considering that naturally occurring substances are not patentable in US as well, it appears unfair that the Applicant has faced rejection in India for similar subject matter granted by the USPTO.

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## Ratio Decidendi



- Rectification of trademark entry Only High Court exercising appellate jurisdiction over
   Registrar, who made the entry, has jurisdiction Madras High Court
- Trademarks Transfer of rectification petition for consolidation with infringement suit in different High Court is not permissible – *Madras High Court*
- Patents Inventive step Mere refining of treatment score based on expert grading does not represent a technical advance – Madras High Court
- Copyrights Second proviso to Section 33(1) of Copyrights Act does not bar owners to issue licences for sound recordings – Delhi HC concurs with Bombay HC while differs with Madras HC
- Trademark infringement is possible even when the mark is taken from two distinct registered marks Delhi
  High Court
- E-infringement of trademark Compensatory damages and costs imposed on global e-commerce giant –
   Delhi High Court

- 1. Rectification of trademark entry Only High Court exercising appellate jurisdiction over Registrar, who made the entry, has jurisdiction
- 2. Transfer of rectification petition for consolidation with infringement suit in different High Court is not permissible

The Madras High Court has held that the particular High Court referred to in Sections 47 and 57 of the Trade Marks Act, 1999 (relating to rectification of a trademark) is the High Court exercising appellate jurisdiction over the Registrar of Trade Marks, who made the entry, rectification of which is being sought.

According to the Court, the use of the definite article 'the' both in Sections 47 and 57 underscores the Parliament's intention to confer such jurisdiction on a particular High Court. Section 2(1)(s) defining expression 'prescribed means', was also considered for the purpose. The Court also noted that Rule 4 of the Trade Marks Rules, 2017 also pointed in the same direction as regards the particular Registrar of Trade Marks.

It was held that since the offices of the Trade Marks Registries are currently located in Mumbai, New Delhi, Calcutta, Chennai, and Ahmedabad, it could be *the* High Court exercising appellate jurisdiction over each of these offices.

According to the Court, any other interpretation, whether on the basis of the dynamic effect of the registration or otherwise, would result in jurisdictional chaos. Rejecting the contention that such petitions can be filed before *any* High Court, the Court observed that multiple rectification petitions to rectify a particular entry could then be filed by different aggrieved persons before different High Courts, thus leading to the possibility of conflicting decisions and uncertainty.

It may be noted that the High Court was also of the view that the transfer of rectification petitions only for the limited purpose of consolidation with a pending infringement/passing off suit in a different High Court is also not in consonance with the scheme of the Trade Marks Act. Rule 14(1) on the Madras High Court Intellectual Property Division Rules, 2023, as relied upon by the petitioner, was distinguished.

The High Court, however, held that the consolidation is appropriate when the rectification petition is pending before the same High Court or where the rectification petition is pending



before the Registrar of Trade Marks over whom the High Court exercises appellate jurisdiction and the suit is before that High Court.

[Woltop India Pvt. Ltd. v. Union of India – Common Order dated 20 February 2025 in W.P.(IPD)Nos. 30 & 32 of 2024, Madras High Court]

Patents – Inventive step – Mere refining of treatment score based on expert grading does not represent a technical advance

The Madras High Court has held that mere refining of treatment score based on expert grading does not represent a technical advance. The invention envisaged a system and method for use with a computer system so as to generate a report, which would help the patient to decide out of a plurality of treatment options.

The quantitative scores were generated to enable the patients to pick the most appropriate treatment option, through a system involved in formulating the medical question, quantitative representation of information sources, providing for queries to experts for expert feedback, literature analysis, reckoning patient preferences and risk tolerance and evaluating outcomes on the basis of an outcome database and machine learning so as to rank the treatment options and set out the same in the report.

Upholding the rejection of grant of patent, the Court took note of the three prior arts, while it observed that except for the quantitative analysis by providing for grading and scoring, all the features of the claimed invention were present in prior art D3, which additionally provided for patient interaction. It noted that prior art D2 filled the gap by providing for grading and scoring in addition to patient interaction while prior D1 provided for hierarchical ranking of treatment options and involved accounting for patient preferences. The Court was thus of the view that there were clear cues in D3 that would lead the Person Skilled In The Art (PSITA) team to D2 and D1, and thereby to the claimed invention.

The High Court was also of the view that even proceeding on the basis that prior arts D1 and D2 did not recite grading and ranking in respect of the experts, but since they provided for a grading and scoring system in respect of medications and other treatment options, it would be obvious to a PSITA team, consisting of a software engineer and a medical expert, to arrive at the claimed invention on the basis of clear pointers in the said prior arts.

According to the Court, mere refining of the treatment score based on expert grading does not represent a technical advance over the prior arts and, in any event, would be obvious from



cited prior arts to the PSITA team. The claimed invention was thus held to not satisfy the requirements of Section 2(1)(ja) of the Patents Act, 1970 relating to Inventive Step.

[Navya Network Inc. v. Controller of Patents & Designs – Judgement dated 27 February 2025 in CMA (PT) No.13 of 2024, Madras High Court]

Copyrights – Second proviso to Section 33(1) of Copyrights Act does not bar owners to issue licences for sound recordings – Delhi HC concurs with Bombay HC while differs with Madras HC

The Delhi High Court has reiterated that the second proviso to Section 33(1) of the Copyright Act, 1957 does not bar owners to issue licences for sound recordings. It was held that the provision cannot put any fetters on the inherent rights of a copyright owner to grant licenses in respect of his works or engage in the 'business of issuing or granting licence', as the right of giving a license in his works is an inherent right of a copyright owner under Section 30 of the Copyright Act.

The Court was unimpressed by the submission of the defendant that the reasoning of the High Court's earlier decision in *Novex Communications* v. *Lemon Tree*, holding the above, would not

operate when a duly constituted copyright society, namely, Recorded Music Performance Limited, was already registered by the Central Government. It was noted that the earlier judgment was not premised on whether a registered copyright society exists or not. Bombay High Court decision in *Novex Communications* v. *Trade Wings*, was also relied upon.

Similarly, the defendant's reliance on Madras High Court decision in *Novex Communications* v. *DXC Technology* and the submission that the 'business of issuing or granting licenses' can only be done by a copyright society, was also rejected by the Delhi High Court.

Defendant's submission that the plaintiff was not a copyright society and thus cannot seek its rights, was thus rejected. The Court observed that otherwise, a copyright society, which is an agent of the owner, would have rights superior to that of the owner.

The High Court in this regard observed that even in respect of owners, who are members of a copyright society, the position is clarified by the first proviso to Section 33(1) that such an owner shall be free to grant licenses in respect of his own works in his individual capacity. According to the Court, the only limitation is that an owner cannot grant a license in his individual capacity,



in respect of a work, which he had already exclusively licensed to a copyright society.

It was also noted that as per the second proviso to Section 33(1), the 'business of issuing or granting of licenses' would vest with a copyright society, only with respect to a 'literary work', 'dramatic work', 'musical work' or 'artistic work', as embedded in a 'cinematographic work' or a 'sound recording' and not in the 'cinematographic work' or 'sound recording' itself.

The High Court also noted that the plaintiff was not asserting his rights as a copyright society but as an owner, while it granted interim relief to the plaintiff and injuncted the defendant from using the copyrighted works in any of its outlets till adjudication of the suit.

[Phonographic Performance Limited v. Azure Hospitality Private Limited – Judgement dated 3 March 2025 in CS(COMM) 714/2022, Delhi High Court]

Trademark infringement is possible even when the mark is taken from two distinct registered marks

The Delhi High Court has dismissed an intra-court appeal in a case where the appellants had proceeded to take the two

prominent parts from the marks that they had themselves assigned to the respondent, that is, 'POWR' from 'JOR-POWR' and 'NYM' from the mark 'NIMYLE', and combined the same to make their mark 'POWRNYM'. It was held that the appellants were infringing both the registered marks, 'NIMYLE' and 'JOR-POWR', by taking their prominent parts with the intent to deceive and cause consumer confusion.

Upholding the interim injunction, the Court rejected the submission that infringement in terms of Section 29 of the Trade Marks Act can arise only when the rival mark is deceptively similar to a registered mark thereby causing consumer confusion, and that the said provision does not allow comparing of a rival mark with two distinct registered marks.

The Court in this regard noted that the appellants were not strangers who could be attributed for lack of knowledge regarding the marks, as they had themselves assigned them to the respondent for valuable consideration. The Court was hence of the view that the test to be applied for determining the case of infringement or passing off of the trademarks has to be stricter against the appellants.

Upholding the Single-Judge decision, the Court also noted that the appellants had not only assigned their trademarks to the respondent but were also manufacturing the products under the



transferred trademark for the respondent. It also took into consideration the past relationship between the parties, the resemblance of the marks, the intent of the appellants to adopt the prominent parts of the marks of the respondent, and other surrounding circumstances.

The High Court also termed fallacious the submission that since the non-compete clause had expired by efflux of time; an order of injunction could not have been passed against the appellants.

[Arpita Agro Products Pvt. Ltd. v. ITC Limited – Judgement dated 21 February 2025 in FAO (OS) (COMM) 289/2024, Delhi High Court]

# E-infringement of trademark – Compensatory damages and costs imposed on global e-commerce giant

The Delhi High Court has imposed huge damages and cost on a global e-commerce giant in case involving e-infringement of a trademark (online trademark infringement) – Beverly Hills Polo Club.

The Court answered affirmatively the question as to whether defendant No.1, who owns the brand 'Symbol', consisting of a horse device mark which is almost identical to the Beverly Hills Polo Club logo device of the plaintiff, would be liable to pay damages for infringement on the e-commerce platform which can also be termed as e-infringement.

It was noted that defendant No. 1 was the entity responsible for the infringing conduct of defendant No.2 retailer, who was licensed the brand 'Symbol' and sold the products on the ecommerce platform which is operated by defendant No.3, a company which is part of the group led by defendant No. 1.

The High Court in this regard observed that all the three companies were closely related to or interlinked with each other and had sought to project that they were independent of each other, with an intent to avoid fastening of liability. It was noted that defendant Nos.1 and 2 are connected as defendant No.2's Counsel represented defendant No.1 in the hearing and stated that defendant No.1 was willing to suffer a permanent injunction. It was thus observed that defendant No.1 was engaging in a deliberate strategy of obfuscation, pretending to wear different hats—one as an intermediary, one as a retailer, and one as a brand owner.

Observing that the plaintiff was entitled to damages both as compensation as also on lost sales and royalty, the Court imposed damages totaling to USD 38.77 million (INR



336,02,87,000) on defendant No. 1. A decree of costs to the tune of INR 3,23,10,966.60 along with the Court Fee was also passed.

The Court in this dispute noted that in e-infringement, the biggest challenge would first be in fixing responsibility on each of the parties, and then there are complex questions including issues relating to intermediary liability, entitlement to safe harbour protection, as also jurisdictional issues. Clearly, the

multi-layered nature of ecommerce has made it increasingly difficult to identify, attribute liability, and effectively enforce IP rights, necessitating clear legal frameworks to address the evolving challenges posed by online trademark infringement.

[Lifestyle Equities CV v. Amazon Technologies, INC. – Judgement dated 28 February 2025 in CS(COMM) 443/2020, Delhi High Court]





### News Nuggets

- Rectification not warranted when earlier mark not existing on register and evidence of its use also absent
- Patents Amendments to complete specification and claims can be made at appellate stage before High
   Court
- Burger King Sizzling trademark dispute
- Interim licence to use patent till final determination of FRAND terms
- Copyrights over pharmaceutical dossiers
- Copyright infringement by use of headnotes of another company for legal-research search engine which uses AI
- Copyright on AI generated artwork containing evidence of human's creative choices

## Rectification not warranted when earlier mark not existing on register and evidence of its use also absent

The Madras High Court has observed that merely because another company had once registered the trademark, SOLIDAIRE, which admittedly does not exist any longer on the register, rectification of the entry relating to the mark of Solidaire Private Limited, i.e., the mark SOLIDAIRE, is not warranted. The conclusion of the Court in *Solidaire Digital Electronics Private Limited v. Salahudeen Abdhullatheef* [Decision dated 20 February 2025] was also fortified by the fact that there was no evidence of the other company's product with the trademark SOLIDAIRE being available in the market.

The Court in this regard noted that the test under Section 11 of the Trade Marks Act, 1999 is undertaken to examine whether any deceptively similar mark in relation to similar goods or services exists on the Register of Trademarks, with the purpose to maintain the purity of the register and to ensure that public interest is safeguarded. Thus, according to the Court, the defence of the respondent was not correct, as in the case at hand, the earlier mark not only did not exist on the register, there was also no evidence of use of such an earlier mark.

# Patents – Amendments to complete specification and claims can be made at appellate stage before High Court

The Delhi High Court has reiterated that in a case involving appeal against rejection of a patent, amendments to the complete specification and the claims can be made at the appellate stage before the High Court. Earlier the Patent Office had rejected the patent citing objections under Section 3(i) of the Patents Act, 1970. The applicant-appellant made amendments to overcome the objections and filed application under Section 59, before the High Court, for filing amended complete specification. Citing precedents, the Court observed that it had the power to direct the appellant to amend the complete specification of the patent application including claims and that amendments are allowed at the appellate stage before Court. Allowing the amendment application the Court in Cellectis v. Assistant Controller [Decision dated 28 February 2025] also noted that the amendment was squarely within the ambit of Section 59, i.e., the three requirements under said Section were fully covered.

### Burger King – Sizzling trademark dispute

The Supreme Court has stayed a Bombay High Court decision that had restrained a Pune eatery from using the trademark



'Burger King' until the infringement plea by the US company is resolved. According to a news report by *ET LegalWorld.com*, as available <a href="here">here</a>, the District Court in Pune had earlier dismissed the suit filed by the US company alleging trademark infringement by the local eatery. The Bombay High Court however had in an appeal against the said decision restrained the Pune-based food business from using the name 'Burger King'.

### Interim licence to use patent till final determination of FRAND terms

Lenovo has on 28 February 2025 won an appeal in the United Kingdom in its attempt to get an interim licence to use Ericsson's patents relating to 5G technology. The dispute [Lenovo Group Ltd. v. Telefonaktiebolaget LM Ericsson (Publ)] centered on the fair, reasonable, and non-discriminatory (FRAND) terms for a licence to use patents. Lenovo had sought a declaration that a willing licensor would agree to a short-term licence pending the final determination of the FRAND terms. As per ET LegalWorld.com news report, as available <a href="here">here</a>, the application was refused last year, but the Court of Appeal overturned that decision recently. The decision was also reported in [2025] EWCA Civ 182; [2025] 2 WLUK 541.

### Copyrights over pharmaceutical dossiers

The Commercial Court, Noida has recently affirmed the injunction/restraint against 4 entities involved in the manufacture and supply of certain pharmaceutical products using, without authorisation, proprietary technology, confidential trade secrets, and original copyright product dossiers of the plaintiff (Jubilant Generics Limited). According to the *ET LegalWorld.com* news report, as available <a href="here">here</a>, the Court restrained the defendants from reproducing or using in any manner the copyrights protected product dossiers of the plaintiff in relation to the products *viz.* Losartan, Citalopram and Amlodipine.

## Copyright infringement by use of headnotes of another company for legal-research search engine which uses AI

The United States District Court has revised its earlier ruling on summary judgement in a case involving use of plaintiff's (Thomson Reuters Enterprise Centre GMBH) headnotes by the defendant for making a competing product – Legal research search engine using Artificial Intelligence. The dispute was whether the Bulk Memos used by the defendant copied the



plaintiff's headnotes or were instead taken from the uncopyrightable judicial opinions.

The Court in Thomson Reuters Enterprise Centre GMBH v. Ross Intelligence INC [Decision dated 11 February 2025, as available here] observed that a headnote which is a short, key point of law chiseled out of a lengthy judicial opinion, is original because a headnote can introduce creativity by distilling, synthesizing, or explaining part of opinion, and thus an be copyrightable. Comparing the headnote of a judicial opinion to a sculpture carved out of stone, the Court also held that all headnotes, even any that quote judicial opinions verbatim, have original value as individual works.

The Court thus granted summary judgment for the plaintiff on whether the headnotes were original enough to prevent the defendant from rebutting any presumption of validity.

### Copyright on AI generated artwork containing evidence of human's creative choices

The US Copyright Office has recently granted copyright protection for artwork generated by Artificial Intelligence (AI). As per news reports, this is the first-ever copyright protection for such work. The news report by *PetaPixel*, as available <a href="here">here</a>, notes that the company used inpainting features to iterate upon an AI-generated image, coordinating and arranging where to inpaint and then selecting from multiple options to create a composite work.

According to the US Copyright Office, protection will only be afforded to work that has meaningful human authorship, i.e., purely AI-generated content will not be eligible. However, AI-generated content that contains evidence of a human's creative choices can still qualify for protection.



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