



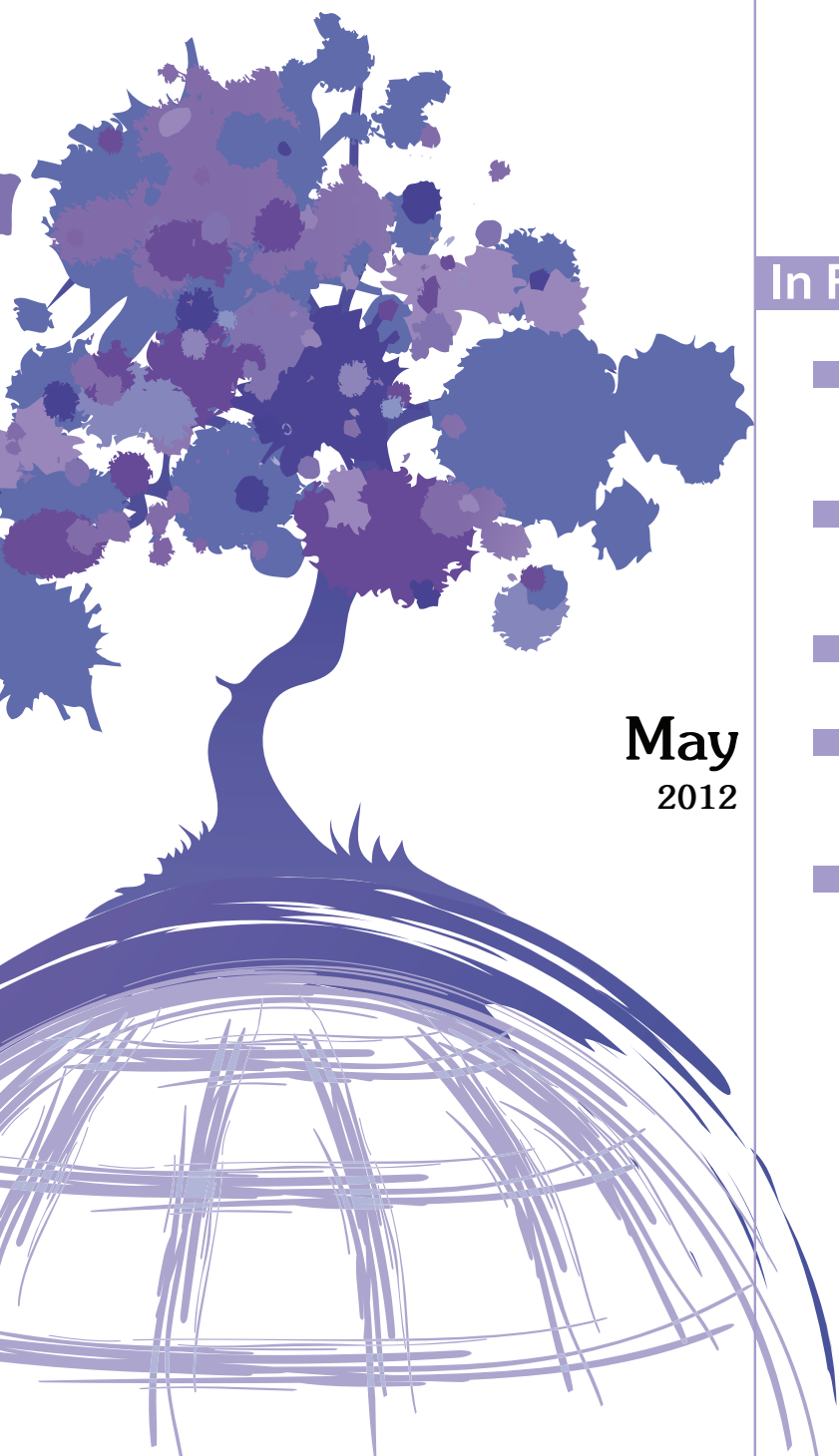
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Article

Divide and Conquer – An insight into practice of divisional patents in India

By **Ranjan Matthew**

Introduction

Divisional patent applications, as the name indicates, are those patent applications that have been divided from another patent application, also referred to as a parent application. Generally, when a patent application is examined and found to have more than one inventive concept, the examining authority may require the applicant of said patent application to file one or more divisional applications to segregate the individual inventive concepts therein.

Article 4G of the Paris Convention provides support to the practice of filing divisional patent applications and states that the applicant may file divisional applications if examination of the patent application reveals more than one invention in the original application for patent. This Article recognizes the right of the applicant in such cases, to benefit from the original priority date for all subsequent divisional applications filed¹.

The Indian Outlook

Under the Patents Act, 1970 (“the Act”), divisional patents are dealt with in Section 16², which states:
16 (1) “A person who has made an application for a patent under this Act may, at any time before the grant of the patent, if he so desires, or with a view to remedy the objection raised by the Controller on the ground that the claims of the complete specification relate to more than one invention, file a further application in respect of an invention disclosed in the provisional or complete specification already filed in respect of the first mentioned application.”

Prima facie, it can be inferred from a plain reading of the above provision that the applicant of the divisional application must be the same as the parent application. Moreover, in the Indian practice, while divisional applications are usually filed in response to examination

reports which bring up an objection regarding lack of unity of invention, the statute also provides for filing of the divisional application by the applicant if he so desires.

The interpretation of the above statutory provision has been subject to dispute as can be seen in the decision issued by the Intellectual Property Rights Appellate Board (IPAB) in *LG Electronics Inc. v. The Controller of Patents & Designs and others*³.

From the desk of the IPAB, India

In the above cited case, the IPAB provided welcome insight into the interpretation of Section 16 of the Act. The appellant, LG Electronics Inc., entered the national phase of its international patent application in 2004. The applicant then proceeded to file a divisional application one year hence, from the original patent application. The examiner raised certain technical objections at the time of examination for the divisional application, including the fact that the parent application was deemed to be abandoned under Section 21 of the Act due to the fact that the applicant did not respond to the examination report of the parent application within the prescribed time period, and that the parent application did not contain a plurality of inventions to give cause to the divisional application.

In their response, the agent for the applicant argued that the word ‘or’ in Section 16 of the Act was to be interpreted as disjunctive in nature, thereby imparting a degree of discretion to the applicant, wherein the applicant could divide a patent application suo motu, i.e., of his own accord, even without direction by the Controller.

The IPAB, while negating this argument stated that the usage of the word ‘or’ was conjunctive in its aim, i.e., even if the applicant wished to divide the patent application suo motu, it would have to be primarily based

¹ Article 4.G. (1) and (2) of the Paris Convention for the Protection of Industrial Property of 1883

² Section 16 (1), The Patents Act, 1970

³ LG Electronics Inc. v. Controller and Others, Order No. 111/2011, IPAB, <http://www.ipab.tn.nic.in/111-2011.htm>

on the fact that the application contains a plurality of inventions not linked by a single inventive concept.

The IPAB stated that the purpose of Section 16 was to remedy an objection by the Controller with regard to a parent application containing more than one invention. Inter alia the IPAB also stated that in this case, the claims in the parent application were the same as what was claimed in the divisional application. This was in contravention to Section 16(3) of the Act which expressly states that the Controller may require amendment of either the parent application or the divisional application, such that neither includes subject matter claimed in the other.

The IPAB opined that if the applicant was allowed to divide a patent application into divisional applications on his own without the existence of multiple inventions, then that would result in multiple examinations and re-examinations for essentially the same subject matter, which would hinder the patenting process and harm the society at large by depriving them of gaining access to the teachings of the patent in a timely manner. Moreover, this would introduce an element of uncertainty in the patenting process, whereby there would be no certain progression towards obtaining the patent. Lastly, if this

was the case, applicants could freely extend the life of the patent by filing divisional applications thereof, and abandoning the parent applications, thereby disregarding or bypassing the timelines and guidelines set forth in the Statute.

Therefore, the IPAB set aside the above appeal and stated that the phrase 'if he so desires' in Section 16(1) of the Act is not unconditional, and does not give the applicant an unqualified liberty to file a divisional application even when there is no situation of plurality of distinct inventions contained in the parent application.

Conclusion

In closing, divisional patent applications can be filed before grant, in case there is an objection regarding unity of invention, or if the applicant would like to divide the application to claim a different invention than that claimed in the parent application. The patent office will not allow the erstwhile practice of re-filing rejected claims as a divisional application as a strategy to continue the examination process.

[The author is an Associate in IPR Division, Lakshmikumaran & Sridharan, New Delhi]

IPR LAW & PROCEDURES

Amendments to IP laws come into force in Japan

The Act on Partial Revision of the Patent Act entered into force from April 1, 2012 in Japan. It contains a host of provisions covering trademarks, utility models, designs and Patent Cooperation Treaty as well as small and medium sized enterprises. One of the major changes brought about by the Act is the system of 'Automatic Perfection' to enable non-exclusive licensees to have effect on third parties (other assignees) even without being registered with the Japan Patent Office (JPO). Prior to this non-registered non-exclusive licenses were open to challenge by patent assignees. Another change relates to joint technology or product development activities. The new provisions enable a person who is the rightful owner and who has been denied intellectual property

rights, to regain such right. Earlier he could only obtain an invalidation of the patent for misappropriation of his rights.

Aiming to improve dispute resolution the new law provides for prohibition of filing a request for correction trial after filing with the IP High Court a law suit against a trial decision. The new law also has provisions relating to extension of period for reduction or exemption from patent fees, acquisition of trademark within one year of extinguishment of another's trademark right, remedy procedures for submission of Japanese translations of patent application in foreign language and expanding the scope of exception to lack of novelty when invention becomes publicly known under certain circumstances.

NEWS NUGGETS

A rationale for an irrational number

Pi can be music to the ears and can be freely enjoyed. In an opinion delivered on 14th March, 2012, the US District Court of Oregon has stated that facts cannot be protected by copyright. Two musicians used the same device of assigning a number to each note of a musical scale and created a melody playing the notes in the order of 3.141... Mr. Erickson, the first person who expressed this idea as 'Pi Symphony' hosted it on his website. Mr. Blake put forth his composition 'What pi sounds like' in 2011 prompting the claim of infringement. Dwelling at length on idea-expression dichotomy, the Merger doctrine and also the claim of unfair competition by Mr. Erickson, the opinion records that the works were not substantially similar and there is no infringement. Further though Mr. Erickson could claim a valid copyright in Pi Symphony it was 'thin' and he could not

prevent others from employing the particular pattern of musical notes.

Protecting Geographical Indications

Even as voices of protest over Geographical Indications (GIs) for food names like parmesan or salami arise through associations like Consortium for Common Food Names in the US, two nations in Europe are sparring over the origin of sausages. Austria and Slovenia both stake claim to a speciality food 'Kranier sausage'. Austria's 'Kaesekranier' the cheese filled variant and Slovenia's 'Kranjska klobasa' - a meat filled version both date/trace their origins to the Austro-Hungarian empire. Slovenia's application seeking PGI status for its Kranier has prompted a fresh assertion by Austria that the sausages are part of its cultural heritage and a sausage called by any other name does not taste right.

RATIO DECIDENDI

Interim compulsory licence under copyright law – Power of Copyright Board

The Indian Copyright Board does not have power to grant interim compulsory license, in works withheld from the public, in respect of cases pending before it for the same. The Supreme Court of India in its recent order has held that there is no hint of any power having been given to the Board, under Section 31 of the Copyright Act, to make interim arrangements, such as, grant of interim compulsory licences, during the pendency of a final decision of an application. It was held that the language used in the said section clearly contemplated a final order after a hearing and after holding an inquiry to see whether the ground for withholding of the work from the public was justified or not. The court observed that granting interim compulsory licence would amount to granting the final relief at the interim stage and the power to grant such relief has not been vested in the Board. In his assent order, the other Judge further observed

that power to grant ad hoc compulsory license cannot be implied unless it is demonstrated that failure to imply such power to direct immediate re-publication or performance of a work in public would be detrimental to public interest. While setting aside the High Court order which had said that the Board had the power to grant interim compulsory licence, the Apex Court also deliberated upon the jurisdiction of Tribunals as well as Courts to grant interim relief of such nature. It was held that the incidental powers could at best be said to exist in order to preserve the status-quo, but not to alter the same [*Super Cassettes Industries Ltd. v. Music Broadcast Pvt. Ltd.* - Civil Appeal Nos.4196-4197 of 2012, decided on 4-5-2012].

Patent stands granted on date of rejection of pre-grant opposition when no other opposition is pending

The Delhi High Court in its recent order has upheld an earlier single Judge order holding that the patent stands granted on a date when the pre-grant opposition is rejected and no other opposition is pending. The case

pertained to the rejection of pre-grant opposition filed by the appellant as being filed after the grant of patent when the earlier opposition filed by another person was rejected. The appellant had argued that the patent was not to be considered as granted as the order granting such patent was only a conditional order with some conditions to be satisfied and that there was time for them to file the opposition, as per the amended provisions, till the patent was granted which as per them is the time when the patent is sealed and entered in the Register. The court, however, held that the conditions imposed were only in nature of giving routine information, i.e., to give complete specification and submit the amended retyped pages and that it had no substantial bearing on the issue which had already been decided.

The court noted that the Controller was empowered to pass an order of grant of patent on rejection of pre-grant opposition. The court while dismissing the appeals observed that acceptance of contentions of appellant would result in misuse of provisions inasmuch as once pre-grant opposition of one person is rejected, before a certificate under Section 43 is issued, other person at the behest of the first objector can file the objection and adopting such methodology the proceedings can be delayed endlessly [*Snehlata C Gupte v. Union of India* - LPA No.561 of 2010, LPA No.562 of 2010, LPA No.563 of 2010 & LPA No.564 of 2010, decided on 20-4-2012].

Trademark should have capacity to distinguish

The Intellectual Property Appellate Board (IPAB) set aside the Order of the Senior Examiner Trademark which denied registration of the mark '1A Pharma' on the reasoning that it was similar to 'A One Pharma' and the mark was purely descriptive of the goods and objectionable under Section 9(1)(b) of the Trademarks Act, 1999. The IPAB ruled that inverting 1A to read it as A 1 led to the erroneous result that it was descriptive. The mark was syntactically unusually juxtaposed and is not a familiar expression in English language. Also taking into account the presumed expectation of the average consumer who is reasonably well informed and circumspect there was no danger of him being misled on

quality of the goods. The IPAB stated that law does not condemn use of a suggestive expression and a trademark only needed to have the capacity to distinguish. [*1A Pharma GmbH v. The Joint Registrar of Trademarks & Ors.* - IPAB Order dated 20-4-2012].

Concurrent use of trademark on honest adoption

Exercising the discretionary powers under Section 12 of the Trade Marks Act, 1999, the IPAB in a recent order held that where there has been no imitation of an existing trademark or dishonesty in its adoption, the other user should be allowed to use his trademark even if it is similar and the goods are of the same class. The issue involved the use of 'Amber Sweets' and 'Amber Food Products' by two entities. The proprietor of 'Amber Sweets' sought removal of the mark 'Amber' in the trademark owned by Amber Food products. The applicant (for removal of the mark) was a prior user though the date of assignment of the trademark was not clearly established. The IPAB reasoned that even without deciding who was a prior user, it was satisfied that the mark had been adopted honestly and it was a case of special circumstances envisaged in Section 12 of the Trade Marks Act, 1999 whereby concurrent use was to be permitted [*Deepa Tulsani v. Amber Food Products* - M.P. No. 232 of 2010 in ORA/98/2007/TM/MUM and ORA/98/2007/TM/MUM-IPAB Order No. 95/2012 dated 20-4-2012].

Extent of copyright protection to computer programmes

The Court of Justice for European Union (CJEU) recently answered a reference on infringement when a person who obtains a copy of a computer program under a licence is entitled, without the authorisation of the owner of the copyright, to observe, study or test the functioning of that program so as to determine the ideas and principles which underlie any element of the program. The respondent studied the components of the plaintiff's programme and developed an alternative software which would give the same output as the plaintiff's programme. The High Court of Justice of England and Wales, Chancery Division found that the respondent did not have access to source codes and

writing a programme to emulate another's functionality did not amount to infringement. However, the plaintiff advanced an argument that its copyright in the manuals and the 'Learning edition' had been infringed upon. It also stated that creating a new programme was violation of the license terms.

The CJEU held that 'computer program' also includes preparatory design work leading to the development of a computer program, provided that the nature of the preparatory work is such that a computer program can result from it at a later stage. However, neither the functionality of a computer program nor the programming language and the format of data files used in a computer programme is eligible for copyright protection. On violation of license terms, the opinion states that as the licensee did not have access to source codes and he cannot be prevented by any contractual obligation from understanding the ideas underlying the programme, there is no infringement by the act of loading, running, observing or testing the programme in order to reproduce its functionality. The CJEU left the question on copyright in manual to be decided by the national court based on the existence of elements of author's intellectual creation in the manual in the reproduction [*SAS Institute v. World Programming Limited - Case C 406/10*, CJEU ruling dated 2-5-2012].

Counterclaim provision can be used to seek correction of use code

The U.S. Supreme Court in its ruling dated 17-4-2012 has held that a generic drug manufacturer may use the counterclaim provision in 21 U. S. C. §355(j)(5)(C)(ii)(I) to seek correction of a use code which does not

describe the brand's patent covering particular method of using a drug.

In the instant case, the manufacturer of the branded drug Prandin used in treatment of diabetes, acquired a 'method-of-use' patent for use of repaglinide in combination with metformin. The Food and Drug Administration (FDA) has approved two other uses, repaglinide by itself and repaglinide in combination with thiazolidinediones (TZDs) which were not part of the description of the method-of use patent or use code. The appellant filed an Abbreviated New Drug Application (ANDA) and sought FDA approval to market a generic version of repaglinide. ANDA filing allows a manufacturer to bring into the market a generic drug which is shown to have the same active ingredients and is biologically equivalent to the branded drug. In the meanwhile the defendant changed the use code making it broad enough to cover all the three uses listed by the FDA.

The generic manufacturer brought a counter claim to correct or delete the inaccurate patent information - use code. The Supreme Court interpreted provision 21 U. S. C. §355(j)(5)(C)(ii)(I) (bb) – 'an approved method of using the drug' as enabling a counterclaim when the patent claim does not cover any one of the approved uses of the drug. The defendant-patent holder argued that a counterclaim can be made only if the patent did not claim any of the approved methods of use. The Court of Appeals for the Federal Circuit had earlier held that the generic drug manufacturer had no statutory basis to file a counter claim and that the use code submitted by the brand manufacturer is not part of patent information. [*Caraco Pharmaceutical Laboratories Ltd., et al. v. Novo Nordisk A/S et al.*]

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