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Article

Scope of Section 3(h) of the Patents Act, 1970 - An analysis

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Chapter II of the Indian Patents Act, 1970 (hereinafter the “Act”) enlists *Inventions not patentable*. Section 3(h) of the Act mandates that “a method of agriculture or horticulture” as non-patentable subject matter.

Background

The seeds for the current form of the Patents law in India (“Act”) were sown in the form of a report on the revision of the Patents Law, commonly known as the Ayyangar Report, 1959. In what may be construed as an attempt to safeguard the rights of the average farmer, Justice Ayyangar in his Report, 1959 clarified that the prohibition under the current Section 3(h) of the Act was intended to apply to “*inventions in the field of plant propagation by asexual methods*” (paragraph 331 of the Ayyangar Committee Report of 1959). The understanding of the scope of this Section has led to inconsistencies associated with IPO decisions and the lack of clarity has affected the agrochemical sector, in particular.

Table 1- Documents referring to Section 3(h) of the Act.

Relevant document	Relevant portion
	<i>been granted in India and the enactment of para (d) will remove any doubt that might exist as regards the patentability of such inventions.</i>
The Guidelines for Examination of Biotechnology Application for Patent (Biotech Guidelines, 2013), issued on March 25, 2013	Page 14- <i>According to Section 3 (h) of the Act, a method of agriculture or horticulture is not considered as patentable subject matter. While deciding patentability under Section 3 (h), conventional methods performed on actual open fields should be construed as method of agriculture/horticulture.</i>
Manual of Patent office practice and procedure (version 01.11 as modified on March 22, 2011)	Section 0.8.03.05.07- <i>A method of agriculture or horticulture is not an invention. Examples of subject matters excluded from patentability under this provision are: (a) A method of producing a plant, even if it involved a modification of the conditions under which natural phenomena would pursue their inevitable course (for instance a greenhouse). (b) A method of producing</i>

Relevant document	Relevant portion
Report on the revision of the Patents Law, 1959 (Ayyangar Report, 1959)	Page 121- <i>Patents for inventions in the field of plant propagation by asexual methods [which would fall under para. (d)] are specifically permitted by the Patents Acts of the U.S.A. and of South Africa, but not in any other country. They have never</i>

Relevant document	Relevant portion
	<i>improved soil from the soil with nematodes by treating the soil with a preparation containing specified phosphorathioates. (c) A method of producing mushrooms. (d) A method for cultivation of algae.</i>

Considering the above, and in the absence of any other decision or guideline defining the boundaries of “agriculture” and “horticulture,” the following are examples considered non-patentable {as per the Section 3(h) of the Act}-

- conventional methods performed on actual open fields
- asexual methods of plant propagation
- method of producing a plant, even under modified conditions (such as a greenhouse)
- method of producing improved soil (for e.g. treating soil with nematodes or phosphorathioates)
- method of producing mushrooms
- method of cultivation of algae

Furthermore, prior to issuing the Biotech Guidelines, 2013, the Indian Patent Office (IPO) issued a *Draft Guidelines For Examination of Biotechnology Applications* dated 19th of December, 2012. The IPO in Page 14 of said Guidelines by means of an illustrative example stated that, “*A method of spraying a phyto-sanitary composition on plants comprising peptides of formula.....*” is a method of agriculture under the Section 3(h) of the Act, and is not patentable. Thereafter, said Guidelines were released for public comments. However, following consideration of the public comments and the meetings

conducted by the IPO with the various stakeholders, the IPO replaced the above-mentioned illustrative example in the final Biotech Guidelines, 2013, to state, “*A method of growing leguminous plants as inter-cropping for improving fertility of soil by augmenting nitrogen content of the soil*”. The replacement of the illustrative example indicates the intent of the IPO to permit the agrochemical manufacturers to exercise their right. However, this interpretation is in contradiction to the inclusion of “*method of improving soil by treating the soil with a preparation containing specified phosphorathioates*” as stated in the Manual of Patent Office Practice in the list of non-patentable inventions under Section 3(h) of the Act. Additionally, it is worth pointing out, that the Biotech Guidelines are silent with regard to the meaning of the words “agriculture,” “conventional” or “horticulture”. Accordingly, several definitions of “agriculture” have been provided as exemplified in the Controller’s order on the Indian Patent Application No. 2533/KOLNP/2010 that quotes various definitions of agriculture for establishing grounds for an objection under Section 3(h) of the Act.

Perspective

The various cited references in the above section point to the discrepancy in interpretation of Section 3(h) of the Act. In light of the same, various claims have been frequently disallowed by the IPO (see Figure 1). In particular, claims pertaining to “*method of controlling pest*” are often disallowed by the IPO, even though the method is not specifically prohibited in the Act or in any of the supporting documents mentioned above in Table 1. However, the Table 2 below provides a list of claims on said subject matter that have been allowed by the IPO.

Table 2- List of allowed “method of pest control” claims.*

<u>INDIAN PATENT NO.</u>	<u>CLAIM</u>
247017	Claim 1- <i>Method of controlling weeds in vicinity of herbicide tolerant sunflower plant....</i>
243012	Claim 1- <i>Method of protecting seeds and plants against attack by a pest selected from class Insecta,...</i>
213177	Claim 1- <i>A method for controlling lepidopteran, homopteran, hemipteran, thysanopteran and coleopteran insect pests, comprising: contacting the insects or their environment with an arthropodically effective amount of a compound of Formula I,...</i>
213026	Claim 7- <i>A method of controlling harmful plants, which comprises applying the herbicide...</i>
257076	Claim 1- <i>Method of reducing phytotoxicity to a crop at the locus caused by the application thereto of a herbicidal benzoylisoxazole of the formula I...</i>
204978	Claim 1- <i>A method for controlling arthropods comprising contacting the arthropods or their environment with an arthropodically effective amount of a compound of Formula 1,</i>

<u>INDIAN PATENT NO.</u>	<u>CLAIM</u>
218603	Claim 14- <i>A method for controlling an invertebrate pest comprising contacting the invertebrate pest or its environment with a biologically effective amount of a compound of any of claims 1...</i>
228559	Claim 1- <i>A method of controlling pests in crops of transgenic plants comprising...</i>
223543	Claim 1- <i>A method of controlling harmful organisms in genetically modified cotton plants which contain a gene derived from...</i>
210488	Claim 1- <i>Method of combating or controlling pests that are harmful to rice crops, characterized in that the crops are dusted or soaked or misted with...</i>
257946	Claim 1- <i>A method of controlling the aquatic weed Hydrilla verticillata which comprises allowing an imidazolinone herbicide, which is (RS)-2-(4-isopropyl-4-methyl-5-oxo-2-imidazolin-2-yl)-5-methoxymethylnicotinic acid (imazamox) or an acceptable salt thereof to act on the aquatic weed and/or its aqueous habitat containing seeds or other propagating organs of said aquatic weed, wherein the application rate is from 25 ppb to 300 ppb.</i>

INDIAN PATENT NO.	CLAIM
269443	Claim 1- <i>A method of treating horticultural crop plants comprising said plants one or more times with a liquid composition, wherein said liquid composition comprises one or more cyclopropenes, wherein said plants are bell pepper plants and wherein one or more said contacting steps is performed at the initiation of the first bloom period.</i>

*Data obtained from DartsIP search engine (<https://app.darts-ip.com/darts-web/login.jsf>). The data is only meant to be a representative illustration and not to be construed as exhaustive.

Concluding remarks

The purpose of Section 3(h) of the Act is to protect what may commonly be construed as “conventional” practices followed by a farmer. On the other hand, it is interesting to note that a claim pertaining to “A process for preparing an

exogenous recombinant protein wherein the protein is excreted in the digestive secretion of the trap of the carnivorous plant...” was refused by the IPO (2245/DELNP/2009) under Section 3(h) of the Act. The arguments by the Applicant, that cultivation of a carnivorous plant should not be considered as “conventional” practice of agriculture was not upheld. Another noteworthy example of a disallowed claim (under Section 3(h) of the Act) pertains to “a genotype independent technique for rapid multiplication of *Chrysanthemum* (*Dendranthema grandiflora* Tzvelev) under *in vivo* conditions using parts of *Chrysanthemum...*” Again, the Applicants’ argument highlighting the *in vivo* approach for propagation as **not** being a method *performed on actual open field* was not accepted. In the light of such diverse practices a clear directive from the IPO or a definitive interpretation of the scope of Section 3(h) of the Act by a judicial forum would be beneficial to the various stakeholders and public alike.

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Ratio decidendi

Trademark - Prefix BOOKMY descriptive in nature for online booking services

The plaintiff, registered proprietor of word mark and logos BOOKMYSHOW, was seeking permanent injunction against defendant from using in any manner mark BOOKMYSports, of using prefix BOOKMY. It was the claim of plaintiff that the prefix BOOKMY is an essential part of plaintiff’s registered trademark as it has acquired distinctiveness over a period of time that is exclusively associated with the plaintiff. The Defendant, a corporate entity providing an online

platform for booking sports facilities through its website www.bookmysports.com, claimed that its trademark BOOKMYSports and domain activity was dissimilar to the plaintiff’s trademark. The Defendant further claimed that the prefix BOOKMY is not invented but a descriptive phrase and is used in the domain name by several pages, before and subsequent to plaintiff’s website. The Court observed that plaintiff had not put on record any evidence to show that BOOKMY has acquired secondary meaning and that the public associate the word only with the plaintiff’s domain name

BOOKMYSHOW. Noting that other companies also operate with same domain prefix, the Court held that the word BOOKMY was descriptive and rejected the application seeking permanent injunction to restrain defendant from using mark 'BOOKMYSports', or using prefix 'BOOKMY'. [*Bigtree Entertainment v. Brain Seed Sportainment*, Judgement dated 13-12-2017, Delhi High Court]

Business in 'own' name allowed, if there is no act to cause confusion with the business of another

The plaintiff, an international cricket player associated with Indian National Cricket Team since 2003, claimed that his name is a rare combination of two words being specifically associated with the plaintiff and it is protectable under the provisions of the Trade Marks Act, 1999. The defendant who was running restaurants with the tag line 'by Gautam Gambhir', averred that the restaurant name/logo is a *bonafide* effort by the defendant to associate the restaurants with himself (his own identity) using his photographs and to build up goodwill of his own in the restaurant industry. The Court observed that there is no material on record to show that defendant ever represented that the said restaurants were owned by the plaintiff or he was associated with them in any manner. The four restaurants run by the defendant were opened in phased manner and the Plaintiff had not raised any objection initially. Thus, the Court held that the defendant was entitled to carry on his business in his 'own' name so long as he did not cause confusion with the business of another. Observing that plaintiff's name was not commercialized by the defendant and there was no record to show any loss to the goodwill of the plaintiff in his field, the High Court dismissed the suit. [*Mr. Gautam Gambhir v. D.A.P & Co. & Anr.*, Judgment dated 13-12-2017, Delhi High Court]

Trademarks Act does not contemplate permission of civil court to override other provisions for filing of rectification application

The Supreme Court examined the various sections under the Trade & Merchandise Marks Act 1958 and Trademarks Act, 1999 to determine whether a person could resort to rectification proceedings before the statutory authorities (Registrar/IPAB) even in a situation where infringement proceedings had been instituted and the plea of validity of registration has not been taken or in case not taken up within the time limit specified. The appellants contended that infringement proceedings and rectification proceedings are independent remedies and a 'person aggrieved' includes a person against whom infringement action is taken or threatened. However, the respondents contended that in a case where infringement proceedings are pending and the question of invalidity is found tenable by the Civil Court, the party has to move an application within prescribed time limit. There is a deemed abandonment of plea of invalidity and it is not open to the party to separately agitate the issue of rectification. The Supreme Court held that the Trademarks Act does not contemplate permission of civil court to override other provisions for filing of rectification application. The Apex Court was of the view that rectification proceedings are governed by the specific provisions and the satisfaction of the Civil Court that the invalidity plea is tenable provides an opportunity for the party to agitate the same during pendency of infringement proceedings. However, it is not a grant of permission by the Court to agitate the issue afresh even though validity was not assailed earlier or within time prescribed. It was hence held that while rectification proceedings are an independent right vested by the statute, during pendency of infringement proceedings the satisfaction of the

Civil Court on whether it is a triable issue will determine if the person can seek rectification. [*Patel field Marshall Agencies and Anr. v. P M Diesels Ltd & Anr*, CA No.s 4767-4769 of 2001, C A 19937-38/2017, Supreme Court judgement dated 29-11-2017]

Copyright of producer in cinematograph film includes dubbing rights but right in script remains with author in absence of specific assignment

The author of the script for a cinematograph film sought permanent injunction against the producer of the movie in Tamil language, from dubbing the film in Telugu language. The appellant-author claimed that he held the copyright in the script and had only permitted the producer to make the film in one language. The producer of the film claimed that as a producer he had the right to communicate the work –

consisting of story, script, screenplay and sound to the public and dubbing was a means to communicate the work to the public. They also claimed that the copyright in the script also had been assigned in their favour. The High Court held that the right of a producer who takes the initiative and responsibility for making the work would cover dubbing rights. However, in the absence of a valid assignment in terms of Section 19 of the Copyright Act, the copyright in the underlying script would vest with the author. In the instant case the ‘budget sheet’ signed by the parties did not make any reference to the work assigned, duration and territorial extent of assignment or royalty to be paid to legal heirs. Thus, the Court held that the author being the copyright holder in the script was entitled to the permanent injunction. [*Thiagarajan Kumararaja v. Capital Film Works & S P Charan*, OA 22/2017, Madras High Court judgement dated 20-11-2017]



News Nuggets

Australia set to usher in changes in IP laws

Earlier this month, Australia released the Exposure Draft of Intellectual Property Laws Amendment (Productivity Commission Response Part 1 and Other Measures) Bill 2017 which incorporated the recommendations of the Productivity Commission. Some of the major amendments proposed are discontinuing grant of innovation patents and inclusion of a clause in respect of international exhaustion of trademark that there is no infringement if at the time of use, it was reasonable for the person to assume the trade mark had been applied to, or in relation to, the

goods by, or with the consent of, a person who was, at the time of the application or consent, the registered owner or a duly authorised person. An important amendment is reduction of the grace period from 5 years from the filing date of the trade mark application to three years from the date the trade mark becomes registered, in order to challenge a trademark for non-use. Other interesting proposed amendments include allowing for additional damages in case of unjustified threats of infringement and clarification on grant of Plant Breeder's Rights to multiple breeders besides amendments in certain filing requirements and issuance of seizure notices.

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