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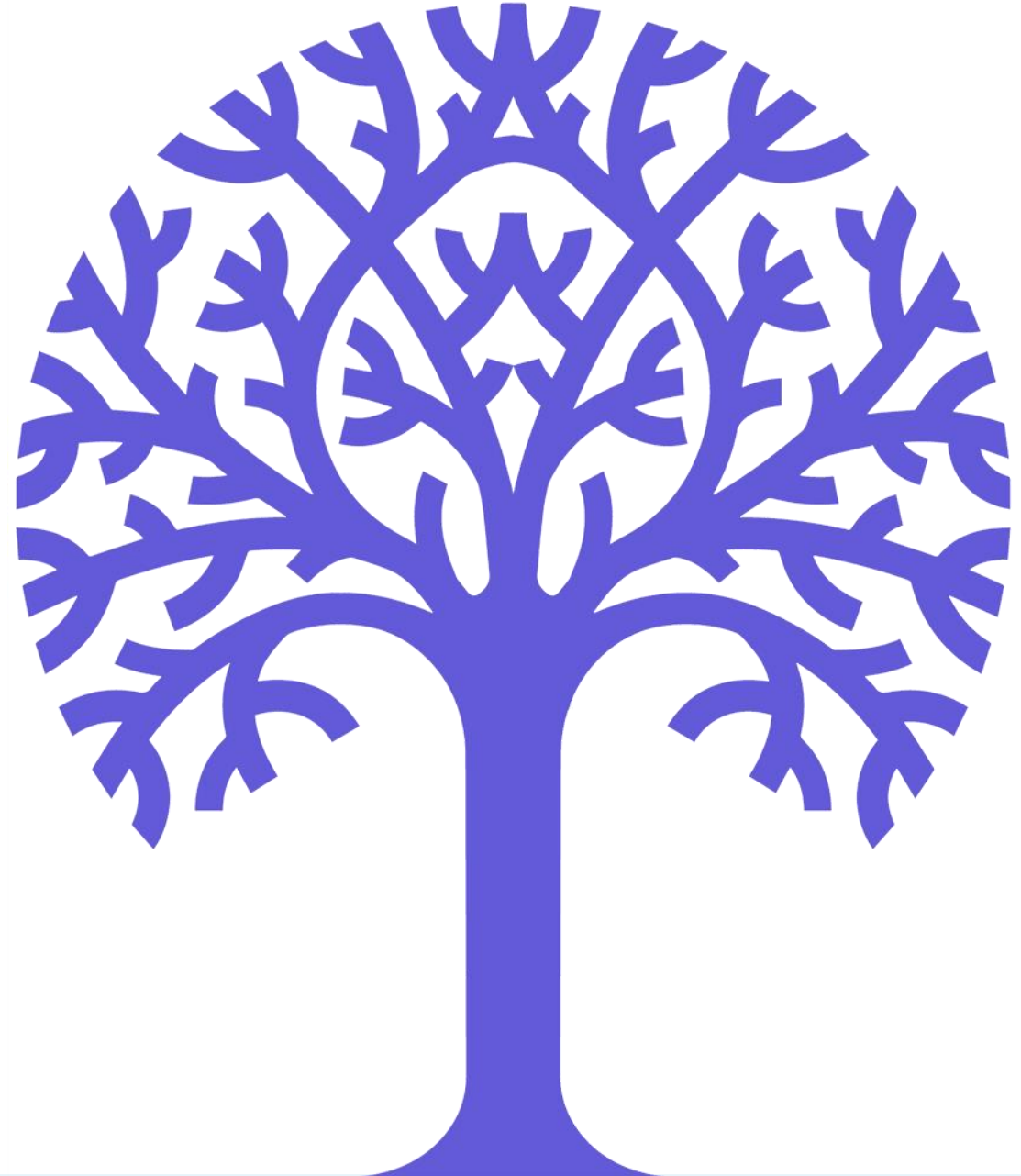
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Articles

A rising need for a modern understanding of 'Traditional Knowledge' under Indian patent law

By Aashmeen Kaur and Dr. Malathi Lakshmikumar

The first article in this issue of IPR Amicus sheds light on the current Indian Patent Law associated with safeguarding Traditional Knowledge. It discusses various case law and the Indian Patent Office's Guidelines for processing patent applications relating to traditional knowledge and biological material. According to the authors, keeping in view the recent time-honoured recognition given to traditional knowledge by the WIPO treaty, a statutory definition of the term as well as judicial interpretation of Section 3(p) of the Patents Act, 1970 can help both the Examiners and the Applicants.

A rising need for a modern understanding of 'Traditional Knowledge' under Indian patent law

Introduction

As regards to biological resources, India can be considered as one of the mega-diverse countries of the world. Further, the relationship between India's rich biodiversity and its indigenous people is not only extraordinary but has been prominent through the ages. The prevalence of its rich biodiversity can be directly correlated with Traditional Knowledge ('TK'), particularly relating to the Ayurveda, Unani and Siddha systems of medicine, which have been passed down from generations. While there is no internationally accepted definition of TK, the World Intellectual Property Organization (WIPO) describes that TK in a specific sense refers to knowledge resulting from 'intellectual activity' and defines TK as *'knowledge, know-how, skills and practices that are developed, sustained and passed on from generation to generation within a community, often forming part of its cultural or spiritual identity'*¹.

¹ <https://www.wipo.int/tk/en/tk/>

By Aashmeen Kaur and Dr. Malathi Lakshmikumar

Recently, the WIPO Treaty on Intellectual Property, Genetic Resources and Associated Traditional Knowledge was attended by the member states at the diplomatic conference held from 13 May to 24 May 2024, taking a step forward to include provisions specifically for Indigenous Peoples as well as local communities. As per this treaty, if an invention claimed in a patent application is based on genetic resources, each contracting party shall require applicants to disclose the country of origin or source of the genetic resources. And if the claimed invention in a patent application is based on TK associated with genetic resources, each contracting party shall require applicants to disclose the source of the TK associated with genetic resources². While the Treaty acts as an instrument to conform the patent system of member states in relation to genetic resources and TK associated with genetic resources, the cross-link between TK and intellectual property has been long recognized by the Indian Patent Law. Moreover, in view of

² https://www.wipo.int/edocs/mdocs/tk/en/gratk_dc/gratk_dc_7.pdf

India's compliance obligation to the World Trade Organization's (WTO) Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs Agreement), the Indian Laws provide several provisions to ensure conservation and sustainable use of biological diversity and safeguard traditional knowledge and the interests of associated Indigenous people/communities. This article aims to shed light on the current Indian Patent Law associated with safeguarding TK.

Traditional knowledge and Indian Patent Law

Section 2(1)(j) of the Indian Patents Act, 1970 ('Act'), states that '*invention means a new product or process involving an inventive step and capable of industrial application*'. Hence, anything that falls under the category of 'TK', would be construed as '*previously known*' or '*part of public domain*' and hence, would not suffice as an '*invention*' under the meaning of the Act. Further, Section 3(p) of the Act specifically bars the patenting of '*an invention which, in effect, is traditional knowledge or which is an aggregation or duplication of known properties of traditionally known component or components*'. In addition, Sections 3(b), (c), (d), (e), (f), (h), (i), and (j) of the Act may be

relied upon during the examination of Patent Applications related to TK.

The Applicability of these provisions while assessing patent applications can also be witnessed in the judgment passed by the High Court of Himachal Pradesh in *Dhanpat Seth and Ors. v. Nil Kamal Plastic Crates Ltd.*, 20 September 2007³. The Appellants (plaintiffs) held a patent (Patent No. 195917) in respect of a device used for manufacture of manually hauling the agricultural produce. Previously, a suit seeking a grant of permanent prohibitory injunction restraining the defendant from infringing the Patent was filed. The primary allegation of the defendant was that there was no novelty or invention in the Patent and in fact it is just a centuries-old device popularly known as '*KILTA*' which was originally made of bamboo and has now been substituted by plastic. The Single Judge had dismissed the application for grant of interim relief on various grounds and one of the grounds was related to traditional knowledge i.e.,

- *The patentees (plaintiffs) device is basically an imitation of the traditional Kilta. There is no novelty about the same.*

³ *Dhanpat Seth and Ors. v. Nil Kamal Plastic Crates Ltd.*, 20 September 2007

Aggrieved by the order of Single Judge, the plaintiffs filed an appeal in the Himachal Pradesh High Court. The Division Bench while upholding the order passed by the learned Single Judge in *Dhanpat Seth & Ors. v. Nil Kamal Plastic Crates Ltd.*, MANU/HP/0206/2007: AIR 2008 HP 23⁴ held that the device developed by the plaintiffs forms a part of TK and, therefore, cannot be said to be an invention and further directed revocation of the plaintiff's patent under Section 64 of the Act. The Court also concluded that the plaintiffs are, therefore, not entitled to any injunction.

This article intends to highlight the relevant sections of the Act, relied upon by the Court, particularly, Sections 2(1)(j), 2(1)(ja), and 3(p). With respect to Section 2(1)(ja), the Court emphasized that the definition of an 'invention' clearly shows that even a process involving an inventive step is an invention within the meaning of the Act. It is, therefore, not necessary that the product developed should be a totally new product. Even if a product is substantially improved by an inventive step, it would be termed to be an Invention. The definition of 'inventive step' provides that when technical advances as

compared to existing knowledge take place in an existing product or there is improved economic significance in the development of the already existing device and the invention is not obvious to people skilled in the art, it would amount to an inventive step ^{para 11 of 3}.

Upon examining the device of the plaintiff as well as the traditional *Kilta*, the Court opined that a *Kilta* is a traditional product which has been used 'since time immemorial' for carrying produce including agricultural produce in hill areas especially in the State of Himachal Pradesh and there is virtually no difference in the overall design of the traditional *Kilta* or the 'devices' developed by the plaintiffs and the defendant. At most, the only distinction is that the *Kilta* is made of bamboo and the plaintiff's device was made of polypropylene copolymer (PP). The Court further opined that there is nothing new about the process of manufacturing the traditional *Kilta* made of natural material as compared to that of synthetic material. Hence, contrary to the plaintiff's contentions, the court declared that the plaintiff's device was neither novel nor inventive ^{paras 13 and 17 of 3}. In light of these facts,

⁴ *Dhanpat Seth & Ors. v. Nil Kamal Plastic Crates Ltd.*, MANU/HP/0206/2007: AIR 2008 HP 23

the Court *prima facie* was of the view that ‘*the device developed by the plaintiffs is in fact the result of traditional knowledge and aggregation /duplication of known products such as polymers and, therefore, cannot be said to be an invention*’. ^{para 27 of 3.}

This judgment affirms that while analyzing a patent application for inventions based on TK, the analysis under Sections 3(p), 2(1)(j), and 2(1)(j)(a) should not be aligned and rather performed gradatim.

The Added layer of protection

As a subsequent regulatory check, the Indian Patent Office (‘IPO’) issued guidelines for processing patent applications relating to traditional knowledge and biological material on 8 November 2012⁵, to prevent the granting of patents relating to the Ayurveda, Unani, and Siddha systems of medicine, etc. The guidelines provide an examination method to the Examiners dealing with patent applications for assessment of novelty and inventive step in the form of six guiding principles. These principles insinuate the Indian Patent Office’s understanding with respect to what is considered as a part of TK and aims to provide a guided path to both the examiner as well as the

Applicant to assess the patentability of an invention in a patent application.

These guidelines further mandate that for all patent applications relating to TK, the Examiner must search anticipation in the Traditional Knowledge Digital Library (‘TKDL’) or other relevant databases. TKDL is an initiative of the Govt. of India to provide a unified database for traditional knowledge existing in India in numerous languages and formats. Further, if any citation is made from TKDL database during the prosecution of the patent Application, the Examiner must provide a copy of the citation (English translated) along with the examination report, giving the Applicant a fair opportunity of rebuttal.

The Indian Patent Office provides several checkpoints for screening, and subsequently disallowing applications for patents based on TK. For instance, during examination (*under Section 15*) or in pre-grant oppositions, under clauses (d), (f), and (k) of Section 25(1) of the Act. In addition, upon grant, patents can be opposed under Section 25(2) of the Act or revoked under Section 64 of the Act. But what is remarkable is the presence of clauses (d), (f), and (k) in Section 25(2) of the

⁵ *Guidelines for processing of Patent Applications relating to Traditional Knowledge and Biological Material*

Act, acting as rectifying tools for inadvertently granted patents relating to TK. Hence, *'anticipation having regard to the knowledge, oral or otherwise, available within any local or indigenous community in India'*, forms a ground for both pre- and post-grant opposition. In addition, Section 66 of the Patents Act empowers the Central Government to act as a tertiary check and revoke patents in the public interest.

Where are we now?

The Indian Patent law indeed lays the groundwork for safeguarding TK. This is also apparent from the fact that till date, 283 patent applications have been either refused, amended, or withdrawn/abandoned, due to TKDL based examination⁶. Further, the TKDL database is being shared with other patent offices like USPTO, and EPO for subjecting the examination of the patent applications filed in those jurisdictions.

While the *'end in view'*, for IPO, is preventing or overriding grants of patent applications relating to traditional knowledge, the interpretation of Section 3(p) of the Act remains a backdrop. An elementary example of this is that the term *'traditional knowledge'* has *not* been defined by the Indian Patent law. Even

if one were to consider the definition provided by WIPO, the timeline required for such knowledge to be called traditional knowledge cannot be deciphered. Further, the phrase *'an aggregation or duplication of known properties of traditionally known component or components'* has not been elaborated in the guidelines or the Act. It is not however clear whether *'an aggregation of unknown properties of traditionally known components'* would fall outside the purview of Section 3(p). Although the language of Section 3(p) is quite similar to the language of Section 3(e) of the Act, yet unlike Section 3(e), no judicial backing is available to establish that *'synergy'* is a component for consideration in respect of *'an aggregation of unknown properties of traditionally known components'*, for an invention to fall outside the purview of Section 3(p).

The Guiding Principle 3 of the guidelines does specify that, *'in case an ingredient is already known for the treatment of a disease, then it creates a presumption of obviousness that a combination product comprising this known active ingredient would be effective for the treatment of same disease'*. Further, the analysis of said principle provides a feeble indication that such a combination may not be obvious in view of the TKDL-prior art as long as

⁶ <https://pib.gov.in/PressReleasePage.aspx?PRID=1908022>

such a composition results in a surprising (superior) effect vis-à-vis the already traditionally known components. However, judicial precedents confirming the same is still absent.

Keeping in view the recent time-honoured recognition given to traditional knowledge by the WIPO treaty, a statutory definition of the term 'traditional knowledge' as well as judicial interpretation of Section 3(p) can help both the Examiners as well as the Applicants to further streamline the examination

process in India. With such clarity, an Applicant can decide whether or not to file/prosecute a patent application if the subject matter falls within the boundaries of Section 3(p), thereby saving both resources and time.

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Articles

Trademark Siesta: The risks of neglecting use of a trademark

By Vindhya S Mani, Divya Vishvapriya and Nabanita Mallick

The second article in this issue of the newsletter discusses at length nuances of cancellation of a trademark due to non-use. Deliberating upon the legal framework for non-use cancellation and a recent Delhi High Court decision on same, the authors also list certain strategies which may be implemented by the trademark owners to avoid non-use cancellation. According to them by understanding the risks of non-use and taking proactive steps, one can protect a brand's goodwill, and identity and ensure that the trademark remains a valuable asset for business.

Trademark Siesta: The risks of neglecting use of a trademark

By Vindhya S Mani, Divya Vishvapriya and Nabanita Mallick

Introduction

Trademarks are essential for protecting one's brand's identity and ensuring that the goods or services stand out in the market. However, not using trademarks can result in losing rights. A trademark is successfully registered and enters the Register of Trade Marks after going through several stages. Registration gives statutory validity to a trademark and provides blanket protection for it to be used by an individual or entity. There are chances that many such trademarks entering the Register might not be put to use in the course of trade for the goods/services it has been registered for. The existence of such a mark on the Register of Trade Marks may be harmful to traders who have been using or intend to use similar or identical marks for similar or identical goods/services.

Rectification of the Register of Trade Marks refers to the process of cleansing off or cancelling of marks from the Register, which do not rightfully belong in the Register, as they may prevent and cause harm to the commercial interests of *bona fide* users of the similar or identical marks. Such a mark may

cause harm if it has been registered without any intention of being used, as it can prevent and block *bona fide* users of similar or identical marks from using their marks for similar goods/services.

Non-use of a trademark

A trademark acts as a symbol of identity of a product/good/service being sold and the owner/proprietor of such product/service. When a trademark is applied for registration, the applicant of the trademark has to specify the goods and/or the services for which such a mark is being applied for. The same may be applied on a *proposed to be used* basis or the applicant may claim prior date of usage of such mark- which has to be corroborated by showing that the trademark applied for had been in use before the date of application. Use of a mark in commercial transactions for such goods and/or services generate the reputation and goodwill for the mark. Use of a trademark can be proved when the goods sold or the services rendered consist of the trademark over such goods or services. The easiest way to show that a trademark is commercially used is *via* documents such as invoices, bills,

purchase orders, agreements, etc. showing that the trademark in question is being used for the goods and/or services it has been applied/registered for. Documents/extracts advertising such marks may be considered as secondary documents showing the intention of the applicant to use its mark in relation to the advertised goods/services. When a trademark has been applied for, or registered, but the same has not been used or has not been continuously used commercially, for a period of five years and three months, such a mark is said to be not used in the course of trade- and such a trademark then becomes liable to be cancelled on the grounds of non-use mentioned in Section 47(1) of the Trade Marks Act, 1999 ('Act').

Legal framework for non-use cancellation

Section 47 (1) of the Trade Marks Act, 1999 supplies the provision of removal of a trademark from the register on grounds of non-use. As per Section 47(1), a registered trademark can be cancelled by an aggrieved person by filing an application for rectification/cancellation in the prescribed manner to the Registrar of Trade Marks or the High Court if:

1. The registered proprietor of the trademark has registered its mark without any *bona fide* intention of

using the mark, and in reality, there has been no *bona fide* use of the said mark by the registered proprietor for the goods/services for which it was registered.

OR

2. The registered mark, after it entered the register, has not been used for a continuous period of 5 years and 3 months prior to filing of the rectification/cancellation application.

However, if the proprietor of the registered mark was allowed registration under Section 12 of the Act to register a similar trademark for the same goods or services, i.e., there has been honest concurrent use of a mark, or if the Registrar or the High Court deems it appropriate, it can deny a rectification/cancellation application. Such denial of a rectification/cancellation application is done only if it's proven that the trademark has genuinely been used by the proprietor for similar or associated goods or services before the relevant date of filing the rectification application.

The Delhi High Court ruling⁷ on the 'Al-Walimah rice brand' dispute examines Section 47(1) of the Act, providing

⁷ A.K. *AL Muhaidib and Sons v. Chaman Lal Sachdeva and Anr.* [2024 SCC Online Del 1026]

clear explanations of its various components. Before diving into the detailed analysis, we briefly recap the facts to set the stage for a closer look at the key aspects leading up to the ruling's main point.

The Delhi High Court ruling

Facts of the case

The Petitioner filed an Application before the Delhi High Court under Section 47 of the Act to remove Respondent No.1's trademark 'AL-WALIMAH' registered under TM No. 523217 dated 22 January 1990 in Class 30 for selling of *rice* (which had been filed with a user claim since 1 April 1975). Notice was issued to Respondent No.1 but there was no appearance and Respondent no.1 was proceeded *ex parte*. During the pendency of the instant matter, two of the Petitioner's marks:



and



got registered in the

favour of the Petitioner, for goods in Class 30, namely, *rice*.

Submissions of the Petitioner

The Petitioner company was founded in the year 1959 in the Kingdom of Saudi Arabia and had adopted and used the mark 'AL-WALIMAH' since the year 1980 in the Middle East. Over the years, they have garnered a significant reputation and goodwill in the Middle East for the trading, distribution and marketing of rice. The Petitioner entered into business relations with Respondent No. 1, and as per a proforma invoice dated 9 May 1995, placed an export order of 4950 metric tonnes of rice from the Respondent No. 1, who were at the time aware of the Petitioner's 'AL-WALIMAH' mark. Thereafter, a few years later, the Petitioner applied for registration of five of its trademarks in India. However, all those marks were opposed by Respondent No. 1 on the basis of its registration of the mark 'AL-WALIMAH' under TM No. TM No. 523217 which the Respondent had, in the absence of the Petitioner's knowledge, dishonestly filed for on 22 January 1990, in India, and got the same registered.

During the pendency of the instant matter, two of the five marks of the Petitioner got registered in favour of the Petitioner. Respondent No. 1 thereafter stopped appearing for the Opposition hearings and did not appear in the instant matter. Further investigation of the matter conducted by the

Petitioner also revealed that none of the relevant/concerned people were familiar of the Respondent No. 1's 'AL-WALIMAH' mark.

Triple Test for removal of a mark

The Delhi High Court observed that the principal question to be answered in the instant petition was whether the mark of Respondent No. 1 was liable to be removed under Section 47 of the Act on the grounds of non-use. Analysing the matter at hand, the triple test for determining whether a mark can be removed from the Register was brought into play, which mainly states as follows:

1. *First test: Whether the rectification application is filed by a 'person aggrieved':* A person aggrieved has been defined to be someone whose interest is affected in some possible and actual manner, and a mere fanciful/imaginary suggestion of grievance shall not render the person as aggrieved. There must be a likelihood of some injury or damage to the applicant (who has applied for the rectification) by such trademark remaining on the register. Only then the person will have the right or capacity to bring an action, i.e., will have *locus standi* to file for rectification of the mark. The ruling further stated that, 'The persons

who are aggrieved are all persons who are in some way or the other substantially interested in having the mark removed—where it is a question of removal—from the register; including all persons who would be substantially damaged if the mark remained, and all trade rivals over whom an advantage was gained by a trader who was getting the benefit of a registered trade mark to which he was not entitled.'

The Court observed that in the instant matter, the Petitioner, being the user of the mark 'AL WALIMAH' in various countries in the Middle East, and presently being the holder of the two trademark registrations in India for the same, and the Respondent No.1 opposing the Petitioner's applications for registrations—made the Petitioner '*evidently a person aggrieved*' under Section 47 of the Act.

2. *Second test: That the trademark has not been used by the proprietor for a continuous period of at least five years and three months prior to the date of the rectification application.* In the instant matter, the investigation report submitted by the Petitioner played a pivotal role, as it *prima facie* revealed that there was no use of the mark 'AL WALIMAH' for selling of rice under

Class 30 by the Respondent No. 1. Even market survey revealed that there was neither any rice product under the 'AL WALIMAH' mark sold by the Respondent No. 1, nor was any relevant person involved in the channels of distribution of the rice or the business circles dealing with rice, such as shopkeepers in the concerned areas, had any idea regarding the mark 'AL WALIMAH' being used by the Respondent No. 1 to sell rice.

Further, none of the submissions of the Petitioner with regard to the Respondent No.1's non-use of the 'AL WALIMAH' mark was repudiated or denied by the Respondent No. 1. Neither did Respondent No. 1 file any response to defend the instant petition which was filed by in the year 2017. On the basis of the same, it was observed that the mark 'AL WALIMAH' of Respondent No. 1 was not used for a continuous period of five years and three months before the instant rectification/cancellation petition was filed-clearing the second test on validating the Petitioner's claim. It was further observed that no other evidence was required from the Petitioner, as the Respondent

No. 1 had chosen not to appear even though they were served, and that in the absence of denial by the Respondent No. 1, the court had no reason to disbelieve the pleadings of the Petitioner, or the investigator's affidavit on record.

3. *Third test: That there were no special circumstances which affected the use of the trademark during this period by the proprietor.* The Court further upheld the observations made in *Russell Corpn. Australia Pty. Ltd. v. Ashok Mahajan*⁸, which stated that, '*In the context of non-use, it is the settled legal position that use has to be genuine use in the relevant class of goods and services. Unless the non-use is explained by way of special circumstances, the mark would be liable to be removed for non-use. In the present case, no special circumstances have been cited and, in these facts, the mark would be liable to be removed on the ground of non-use itself.*'- therefore, the Petitioner was in a position of having cleared the third hurdle. It was further observed by the Court that, as there were business relations between Respondent No.1 and the Petitioner in relation to export of rice, it was quite possible that Respondent No.1 applied for

⁸ 2023 SCC Online Del 4796

registration of the 'AL WALIMAH' mark and procured the same without Petitioner's knowledge. Further, as per the Petitioner, the mark 'AL WALIMAH' was an Arabic word having a specific connotation, being used extensively in the Middle East by the Petitioner for rice, and hence the mark had no association with Respondent No. 1.

In view of the above, the Court decided that the rectification/cancellation petition was rightly filed under Section 47 (1) of the Trade Marks Act, 1999. Observing that there was no *bona fide* use of the 'AL WALIMAH' mark by Respondent No.1 in relation to goods in Class 30, particularly, 'rice', the Court directed the Trade Marks Registry to cancel the Respondent No. 1's registered 'AL WALIMAH' mark in Class 30 for rice, under TM No. 523217.

From the above case it is understood that using trademarks consistently is crucial because it protects the brand and ensures that its identity remains unique and recognizable. It maintains the legal rights and keeps the statutory right on the trademark intact and deters unauthorized third-parties from attempting to use or register a similar trademarks. In view thereof, the trademark proprietors must be vigilant in using their marks

and maintaining proper records of use. Failure to do so can result in loss of trademark rights.

Steps to avoid non-use cancellation

To avoid non-use cancellation of trademarks, owner of the trademark can implement following strategies:

Commercial use: Ensure that the trademark is consistently used in commerce. Regular use of the trademark in marketplace in connection with goods and services for which it is registered will diminish the effect of non-use cancellation being filed against the mark. It can be done by selling goods, rendering services or conducting business under the trademark. Ensure that the trademark is used across different regions to strengthen the argument for its active use. Further, using the trademark in advertising materials, online presence and promotional activities is also advised. If there are legitimate reasons for non-use due to economic hardship, temporary business closures etc., one should provide evidence and a clear explanation to the Trade Mark Registry.

Documentation of use: Keep detailed records of how and where the trademark is used, by maintaining

records of sales, invoices, shipping documents and transaction records. Keep copies of advertisements, brochures, website screenshots, social media posts and other promotional materials. Preserve emails, letters, and other communications that demonstrate the use of the trademark in commerce. These documents can be crucial in proving *bona fide* use if the trademark is ever challenged.

Licensing of trademarks: One may consider entering into licensing agreements with third parties to use the trademark and ensure that the licensee is actively using the trademark in accordance with the terms of the agreements. By actively monitoring and enforcing the quality and use of the trademarks by licensees, one can maintain the trademark's integrity and commercial presence. Creating sub-brands or related brands that utilize the primary trademark in different ways across the various classes can further solidify the presence of the trademark in the market.

Monitoring and enforcing trademark rights: Keep track of Trademark Journals published by Trade Mark Registry fortnightly to monitor for unauthorized use or infringement of the trade mark. Prompt action in

addressing any potential unauthorized use or infringement will prevent the trademark from non-use cancellation, demonstrating the interest in protecting the trademark's distinctiveness and commercial value.

Maintaining goodwill: Use the trademark across various goods or services to demonstrate its active use in different markets. Engage with customers and public to build and maintain brand recognition and loyalty. Conduct campaigns for public and engage in community activities to reinforce the presence and use of the trademark. Conduct regular market research to understand recent trends and to adjust business strategies accordingly to ensure the trademark remains relevant and consistently used in commerce. Meet the market demands by innovating and adapting goods or services to ensure the continued use and relevance of the trademark.

Renewing trademark: File timely renewal applications to demonstrate continuous use and intention to maintain the trademark. Ensure diligence in respect of renewal deadlines as trademarks are needed to be renewed every 10 years in India. File a renewal application with the relevant trademark office before

the expiry of renewal window to avoid paying surcharge for restoring the trademark. By staying proactive and keeping detailed records of the trademark's use, one can manage better the renewal process and protect the trademark from non-use cancellation.

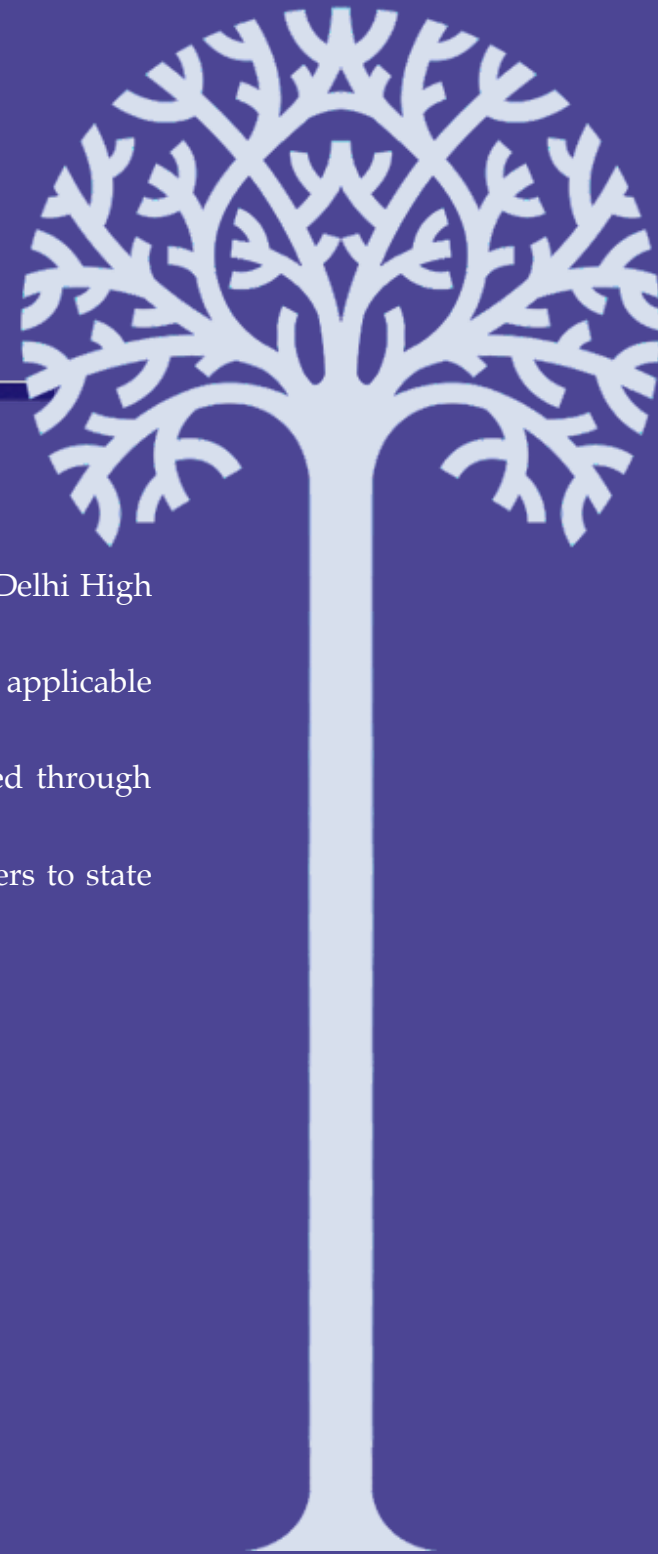
Conclusion

Non-use cancellation serves as a crucial mechanism in trademark law to ensure that trademarks fulfil their primary function of distinguishing goods and services in the marketplace. This process protects against trademark squatting and ensures that registered trademarks are genuinely

used in commerce. By understanding the legal requirements and taking prompt legal actions, the owners of trademarks can safeguard their trademark rights and avoid the risk of cancellation. Maintaining a trademark requires vigilance and consistent use. By understanding the risks of non-use and taking proactive steps, one can protect a brand's goodwill, and identity and ensure that the trademark remains a valuable asset for business.

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Ratio Decidendi



- Patent claims – Amendment is to be allowed if amended claim is a subset of original claim – Delhi High Court
- Trademarks – Use of same alpha numeral as part of trademark – Anti-dissection rule when not applicable – Delhi High Court
- Trademarks – Disclaimer does not strip the trademark owner of common law rights acquired through extensive and recognized use – Delhi High Court
- Trademarks – Reverse passing-off on sale of refurbished goods – Delhi HC directs refurbishers to state certain things on packaging, promotional literature, etc.

Patent claims – Amendment is to be allowed if amended claim is a subset of original claim

Observing that Section 59 of the Patents Act, 1970 essentially provides that the amendment ought to be a subset of the original claim and not beyond the original claim, the Delhi High Court has set aside the order of the Patent Office which sought to disallow the amendments presented by the applicant-appellant post the hearing. The Court noted that in the present case, the amended claim was of the compound, which was a subset of the original claim, which was of composition containing the compound. Remanding the matter back for fresh consideration of the claims as amended, the Court observed that the amendments were only a paring down/narrowing down/chiseling down of the original claims and did not disclose any matter which was not disclosed in the original claims or specifications.

The High Court noted that from the comparison of claim 1 before and after amendment, it was evident that the formula was same and therefore, the compound itself, and that there was no different compound that had been claimed. The Court in this regard observed that just the word 'composition' had been

deleted, and that the deletion was merely to provide clarity to the claim and that it does not fall within the vice of Section 3(e) of the Patents Act.

[*Honeywell International Inc. v. Controller of Patents* – Judgement dated 21 May 20124 in C.A.(COMM.IPD-PAT) 396/2022, Delhi High Court]

Trademarks – Use of same alpha numeral as part of trademark – Anti-dissection rule when not applicable

The Delhi High Court has observed that if the trademark owner is correct that a particular alpha numeral, used as a part of its trademark, is unique to its products and has become a source identifier of its products, the trademark owner would be entitled to protection in respect of the said alpha numerals notwithstanding that it is not registered as a separate trademark. The Court was hence of the view that the anti-dissection rule would not preclude the proprietor of the trademark from maintaining an action.

The High Court in this regard reiterated that the anti-dissection rule does not proscribe examining a dominant part of the

trademark as a preliminary step for determining whether the competing marks as a whole would be deceptively similar.

The Court noted that in the present case, it was the plaintiff's case that its customers identified a particular product of its brand by the impugned alpha numerals, as the impugned alpha numerals not only represented a particular variety or category of chemicals but were also unique to the brand. Also, observing that the relevant alpha numerals were source identifiers for the plaintiff's products, the Court held that in the given circumstances, the plaintiff would be entitled to restrain other persons from using the same alpha numerals in respect of the similar goods.

Further, upholding the Single Bench's *prima facie* decision, the Division Bench also noted that use of the alpha numerals ('786', '2048M', '2048R', '1085M', '1085R', '511A', '511B', '511C', '511 Conditioner', '511A', '511B', '511C', '1048M' and '1048R') in conjunction with its trademark 'ULTRABRITE' by the defendant, even when the plaintiff was using them with its trademark 'TEKNOBRITE AZ', may not be sufficient to avoid confusion in the minds of the customers who identify the product by alpha numerals.

[*GTZ India Pvt. Ltd. v. Artek Surfins Chemicals Ltd. – Judgement dated 31 May 2024 in FAO (COMM) 60/2024, Delhi High Court*]

Trademarks – Disclaimer does not strip the trademark owner of common law rights acquired through extensive and recognized use

The Delhi High Court has held that a disclaimer, while shaping the contours of rights conferred by trademark registration, does not strip the proprietor of any underlying rights obtained through other legal means, such as common law rights acquired through extensive and recognized use in the marketplace.

The High Court was hence of the view that despite a disclaimer in respect of the word 'Tirupati', the plaintiff could still rely upon the disclaimed element as part of their composite trademark 'TSL-Tirupati'. It observed that the rights to exclusive use of the mark as a whole were not diminished by the disclaimer.

Restraining the defendant from using its registered mark 'MM Tirupati', the Court held that defendant's use of the mark MM Tirupati constituted a misrepresentation that would mislead or has the potential to mislead the public, thereby causing damage to the plaintiff's goodwill. It also noted that the lack of explanation for the defendant's adoption of a mark so closely aligned with the plaintiff's established trademarks, especially in the absence of a disclaimer, casts doubt on the defendant's claim of the term 'Tirupati' being generic and suggests a defendant's

strategy to leverage the goodwill associated with the plaintiff's brand. Allowing the application for interim relief, the Court also observed that the plaintiff was the senior user of the mark.

[*Tirupati Structural Limited v. Jai Prakash Singhal* – Judgement dated 21 May 2024 in CS(COMM) 221/2023, Delhi High Court]

Trademarks – Reverse passing-off on sale of refurbished goods – Delhi HC directs refurbishers to state certain things on packaging, promotional literature, etc.

The Delhi High Court has given certain directions on sale of refurbished hard disc drives (HDDs), originally manufactured by few renowned manufacturers outside India and sold to OEMs but, were imported, refurbished and sold in India after they attained end-of-life.

The original manufacturers had alleged that sale of refurbished products after removal of their brand names from the product amounted to impairment, which was not permitted as per Sections 30(3) and 30(4) of the Trade Marks Act, 1999. It was also contended that in removing references to the manufacturer's mark on the HDDs and selling the refurbished product as their own, the defendants were indulging in an act of reverse passing off.

The High Court however observed that the situation of reverse passing off would not arise if the refurbisher clearly states that the goods are manufactured by the original manufacturers and that the refurbisher is refurbishing them, for the purposes of extended use, with a warranty exclusively provided by the refurbisher.

The Court hence directed that the packaging of refurbished HDDs should identify the source of the product with reference to the original manufacturer made through their word marks and not the device marks. Additionally, packaging should also specify that there is no original manufacturer's warranty and that the product is 'used and refurbished'. Also, packaging must reflect an accurate description of the features and carry a statement regarding the extended warranty by the refurbisher. Further, the Court directed that all of these directions should also be complied with by the refurbishers-defendants on promotional literature, website, e-commerce listings, brochures and manuals.

The Court in this regard observed that if there is 'full disclosure' by the refurbisher that the change has been done and that the goods now do not resemble the original product, as doled out by the manufacturer, *inter alia*, in terms of warranty, serviceability, life, manuals and brochures, then consumers are fully warned as

to what they are purchasing. According to the Court, the mandate of 'whole truth' is alive in the interstices of Section 30(3) and Section 30(4).

The High Court while directing so observed that the situation demanded balancing the interest of trademark owners on one hand, the refurbishers in secondary markets on the other,

consumers requiring a different price point on the third, and the goal of society as a whole to preserve resources and reduce waste.

[Seagate Technology LLC v. Daichi International – Judgement dated 21 May 2024 in CS(COMM) 67/2024, Delhi High Court]



News Nuggets

- WIPO adopts treaty to protect traditional knowledge and genetic resources
- McDonald's loses exclusive right to use 'Big Mac' for poultry products in EU

WIPO adopts treaty to protect traditional knowledge and genetic resources

World Intellectual Property Organization (WIPO) members have on 24 May adopted a treaty mandating patent applicants to disclose country of origin/source of genetic resources if the invention is based on those materials or associated traditional knowledge. As per reports, the treaty, once enforced, will require contracting parties to put in place such mandatory disclosure obligations for patent applicants (See [here](#)). As per another news (See [here](#)), the Department for Promotion of Industry and Internal Trade (DPIIT) may soon move amendments to the Indian Patent Act to strengthen provisions related to use of traditional knowledge and genetic resources, while filing patent applications. According to certain news (See [here](#)), this treaty is poised to safeguard biodiversity, enhance transparency in the patent system, and promote inclusive

innovation. It aims to incentivize innovation while addressing the needs of diverse countries and their communities.

McDonald's loses exclusive right to use 'Big Mac' for poultry products in EU

The European Union's General Court has on 5 June 2024 held that McDonald's does not have the exclusive right to the term 'Big Mac' for chicken sandwiches in Europe after five years of not using it. The Court in *Supermac's (Holdings) Ltd. v. EUIPO* thus partially annulled the decision of the Board of Appeal which recognised that there had been genuine use of the contested mark. The General Court in this regard observed that the use of a trademark cannot be proved by means of probabilities or presumptions but must be demonstrated by solid and objective evidence of actual and sufficient use of the trademark on the market concerned.

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