Newsletter

April 2016-May 2016 Edition

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News from Controller General of Patents, Designs and Trade Marks (CGPDTM)

Public Notice inviting representations from applicants/authorised agents of concerned applicants

In our newsletter edition of *Feb-Mar, 2016*, abandonment of large number of trade mark applications by Trade Marks Registry on or after March 20, 2016 was discussed.

Subsequently, complaints were received by the Registry, claiming that the applications had been treated as abandoned even though reply on behalf of the applicants had been submitted but the same were not considered; some complaints were also received that the examination reports containing office objections were not received by the applicants or their authorised agents in time due to which response could not be filed and the applications had been wrongfully treated as abandoned.

The CGPDTM issued a Public Notice on April 4, 2016 requesting all the concerned applicants or their authorised agents to submit representations with relevant details along with sufficient documentary evidence substantiating their cases on or before April 30, 2016.

The High Court of Delhi stays orders of 'ABANDONMENT'

The High Court of Delhi, on April 5, 2016, in response to the writ petition [WP(C) 3043/2016] filed by the Intellectual Property Attorneys Association (IPAA) and another writ petition WP(C) 3067/2016, stayed the impugned orders of abandonment passed by the Trade Marks Registry on or after March 20, 2016. The Registry was also directed not to treat any application as abandoned without proper notice to the affected party in terms of the provisions of the Trade Marks Act, 1999.

In view of the above order, the CGPDTM issued another Public Notice on April 11, 2016, wherein it was notified that the abandonment orders passed by the Registrar of Trade Marks after March 20, 2106 are being kept in abeyance and the applicants or their authorised agents concerned can file the reply to examination reports. It was further clarified that in case, the reply has already been filed and the office has erroneously treated applications as abandoned, information to this effect may be communicated along with a copy of the reply already filed. It has been stated that further action shall be taken in accordance with the directions/orders of the Hon'ble Court in the ongoing writ petitions.

Mediation to resolve all Opposition/Rectification matters

In our newsletter edition of *Feb-Mar, 2016*, we had covered the mediation project comprising 500 pending opposition/rectification matters. Subsequently, on April 5, 2016, *vide* Public Notice dated March 31, 2016, the Office of CGPDTM decided to invite consent from concerned parties in all pending opposition/rectification proceedings. Interested parties have been requested to submit their consent within 30 days so that matters may be referred to the Delhi State Legal Service Authority (DSLSA) for further action. A Standard Operating Protocol in respect of mediation process has been published by the Registry on May 13, 2016 wherein comprehensive Statement of Objects and Reasons, Application for Reference, Procedure on Reference, Panel of mediators etc. have been laid down.

Key Highlights of the Patents (Amendment) Rules, 2016

The Patents (Amendment) Rules, 2016 ("the Rules") have come into force on May 16, 2016. The draft Patents (Amendment) Rules, 2015 were published in October, 2015 inviting suggestions/objections from stakeholders. The draft Rules were covered in our newsletter edition of *Oct-Nov, 2015*. Highlights of the amended Rules are:

1. *Introduction of a new category of applicant - "Startup"*

   By insertion of clause (fb) to Rule 2, a new category of applicant has been introduced namely "Startup", which has been defined as an entity, where:

   i. more than five years have not lapsed from the date of its incorporation or registration;

   ii. the turnover for any of the financial years, out of the aforementioned five years, did not exceed rupees twenty-five crores (approx. *US$ 40m*); and

   iii. it is working towards innovation, development, deployment or commercialization of new products, processes or services driven by technology or intellectual property:

   However, any such entity formed by splitting up or reconstruction of a business already in existence is not to be considered as a startup.

   Further, the mere act of developing products or services or processes which do not have potential for commercialization, or undifferentiated products or services or processes, or products or services or processes with no or limited incremental value for customers or workflow would not be covered under this definition.

   Entity has been defined to mean a private limited company (as defined in the Companies Act, 2013), or a partnership firm registered under the Partnership Act, 1932 or a limited liability partnership under the Limited Liability Partnership Act, 2002.

2. *Official fee payable by a startup*

The fees payable by a startup is equivalent to that payable by a natural person and, in most cases, 80% less than the fees payable by a large entity (an entity other than a small entity).

3. *Fringe benefit for a startup entity concerning fees*

The newly introduced sub rule 3B, of Rule 7 envisages that in case an application processed by a startup is fully or partially transferred to any person other than a natural person or a startup, the difference, if any, in the scale of fees charged from a startup and such person to whom the application is transferred, shall be paid by the new applicant with the request for transfer.

However, in case the startup ceases to be a startup after filing a patent application due to lapse of five years from the date of its incorporation/ registration or its turnover exceeds the 25 crores limit, fees payable by the startup will remain the same i.e. no such difference in the scale of fees is payable.

4. *Expedited examination of applications*

Rule 24C, as inserted after Rule 24B envisages that an applicant may file a request for expedited examination in Form 18A along with the prescribed fee only by electronic transmission duly authenticated within the time period prescribed in Rule 24B of the Rules on any of the following grounds:

a) that India has been elected as the competent International Searching Authority or as an International Preliminary Examination Authority in the corresponding international application; or

b) that the applicant is a startup.

The aforesaid request for expedited examination must be accompanied by a request for publication under Rule 24A, except in cases where the application has already been published or a request for publication has already been filed.

The examiner shall make a report to the Controller within one month but not exceeding two months from the date of reference of application to him by the Controller and the Controller shall dispose the report within one month of the receipt of the same.

The First Examination Report (FER) is to be issued by the Controller to the applicant/agent within fifteen days from the date of disposal of the report of the examiner by the Controller.

The time for putting an application in order for grant shall be six months from the date of issuance of FER, which is further extendable to a period of three months on a request for extension in Form-4 along with the prescribed fee before the expiry of the six months' time period.

The Controller shall dispose of the application within a period of three months from the date of receipt of last reply to the FER or within a period of three months from the last date to put the application in order for grant, whichever is earlier.

This time limit is not applicable in case of pre-grant opposition.

5. *Conversion of request for examination (RFE) to a request for expedited examination*

The new sub rule (2) of Rule 24C envisages that RFE may be converted to a request for expedited examination by citing any of the grounds for expedited examination as mentioned under previous point and filing Form-18A only by electronic transmission duly authenticated within the time period prescribed in Rule 24B of the Rules.

6. *Reduced time for putting an application in order for grant*

The new sub rule (6) of Rule 24B envisages that in cases where the FER is issued on or after May 16, 2016, time for putting an application in order for grant shall remain six months from the date on which the FER is issued to the applicant to comply with the requirements. The said time period is further extendable to a period of three months upon a request in Form-4 with the prescribed fee before the expiry of the six months' time period.

7. *Hearings via communication means*

As per sub rule (6) of Rule 28, hearings may also be held through video-conferencing or audio-visual communication devices and such hearings shall be deemed to have taken place at the appropriate office.

8. *Adjournment of hearing*

Rule 129A states that the applicant or a party to a proceeding may make a request for adjournment of the hearing with reasonable cause along with the prescribed fee, at least three days before the date of hearing. However, the party shall not be given more than two adjournments and each adjournment shall not be for more than thirty days.

9. *Speedy examination of divisional applications*

The amended clause (i) of sub rule (2) of Rule 24B states that the order of reference of a divisional application shall be same as that of the parent application.

Provided that in case the parent application has already been referred for examination, the divisional application is mandated to be accompanied by a RFE and it shall be published within one month from the date of filing of such RFE and thereafter, the same shall be referred to the examiner within one month from the date of such publication.

10. *Refund of fees in the event of withdrawal of application*

Sub rule (4A) of Rule 7 states that if an application for which RFE has been filed is withdrawn before issuance of the FER, 90% of the fee paid for the RFE or request for expedited examination may be refunded, upon a request made by the applicant in Form-29.

11. Time period for submission of Power of Attorney (Form-26)

The authorization of an agent shall be filed in Form-26 within a period of three months (earlier no time period was prescribed) from the date of filing of an application or document, failing which no action shall be taken on such application or document till such deficiency is removed under amended Rule 135.

12. Filing of International applications designating India

An international application as filed under PCT including any amendments made by the applicant under Article 19 or sub clause (b) of clause (2) of Article 34 of the PCT may be made in Form-1 under sub rule (1) of Rule 20.

Provided that the applicant, while filing such application in Form-1, may delete a claim in accordance with Rule 14.

13. Fee limitation on nucleotide sequence listing

Entry 1 of the First Schedule restricts the fee payable for nucleotide sequence listing pages under sub rule (3) of Rule 9 to a maximum of INR 24000 [upto 150 pages] irrespective of the number of pages.

14. Issuance of certificate of renewal of the patent

According to amended Rule 93, a certificate of renewal of patent will be issued upon receipt of the payment of the prescribed renewal fee in respect of a patent and such payment, along with the date of payment has to be entered by the Controller in the register of patents.

15. Address for service

Every person, concerned in any proceedings to which the Act or the Rules apply has to furnish to the Controller an address for service including a postal address in India and an e-mail address *vis-à-vis* amended Rule 5. A patent agent is also required to furnish a mobile number registered in India. This has two fold advantage *i.e.* faster as well as paperless communication.

16. Electronic submission of documents

As per the provisions of Rule 6(1A), documents that are required to be submitted by the Patent agent in original after filing them electronically are:

- The Authorization of Patent Agent or Power of attorney (under Rule 135)
- Proof of the right to make an application (under Rule 10)
- Deed of assignment, certificate regarding change in name of the applicant, license agreement, etc. (under Rule 91)
- Declaration regarding inventorship (under Rule 13(6))
- Priority document (under Section 138 or Rule 21).

Provided that the aforesaid document/s shall be submitted to the Patent Office within 15 days from the date of filing or submitting the document/s electronically.

17. Condonation for delay in submitting documents

By introduction of sub rule (6) to Rule 6, the Controller may condone the delay in transmitting or resubmitting a document to the Patent Office or performing any act by a party, if a petition for such condonation of delay is made by the party to the Controller along with a statement regarding the circumstances of the fact and evidence in support of the statement, to the satisfaction of the Controller, that the delay was due to *force majeure*. However, the relevant action must not be taken later than one month from the date when such circumstances/situation had ceased to exist.

18. Supply of certified copies and certificates

The amended Rule 133 states that the certified copies of any entry in the register, or certificates, or extracts from patents, specifications and other public documents in the Patent Office may be furnished by the Controller on a request made to him along with the prescribed fee within a period of one week.

19. Introduction of Form-30

The amended Rule 8, sub-rule (2) provides that an applicant may use Form-30 as specified in the Second Schedule, where no Form is so specified for any purpose.

India's first National Intellectual Property Rights Policy

The much awaited National Intellectual Property Rights policy was approved by the Department of Industrial Policy and Promotion, (DIPP) on May 13, 2016 with a view to stimulate a dynamic, vibrant and balanced Intellectual Property Rights system in the country. The Policy, which is in compliance with TRIPS (Trade Related Aspects of Intellectual Property Rights), envisages to promote a holistic and conducive eco-system to catalyse the full potential of Intellectual Property for India's economic growth and socio-cultural development, while protecting public interest. The Policy mechanism is guided by seven main objectives which are:

1. *IPR awareness viz "Creative India; Innovative India"* – This would include:

   - A nationwide program of promotion is proposed to be launched with an aim to improve awareness about the benefits of IPR and their value to the right holders and the public.
   - Reaching out to less visible and silent holders, especially in the rural and remote areas *vis-à-vis*, small businesses, farmers/plant variety users, holders of traditional knowledge, traditional cultural expressions and folklore, designers and artisans.
   - Awareness programs would be launched specifically targeting industry and research and development entities, both private and public by providing scientists/ researchers with deeper level of understanding about the need to protect their inventions even before publishing.

2. *To stimulate the generation of IPRs*- This would include:

   - Emphasising on a comprehensive IP audit or base line survey in various sectors in cooperation with stakeholders to assess and evaluate areas of strength and potential.
   - Prioritizing target groups of inventors and creators, provide resources to enable them to create IP assets and utilise them for their own and social benefits.
   - Focussing on improving IPR output of National Research Laboratories, Universities, Technology Institutions and other researchers by encouraging and facilitating the acquisition of IPR by them.
   - Improving awareness of the value of copyright for creators, the importance of their economic and moral rights. Introduction of "first-time patent" fee waiver and support systems for MSMEs and reduce transaction cost in other ways, e.g. prior art search.

3. *To have strong and effective IPR laws, which balance the interest of rights owners with larger public interest*- This would include:

- Review existing IP laws to update and improve them or to remove anomalies and inconsistencies, if any, in consultation with stakeholders.
- Engage constructively in the negotiation of International treaties and agreements.
- Review and update IP related rules, guidelines, procedures and practices for clarity, simplification, transparency and time-bound processes in administration.
- Undertake an in-depth study to determine the appropriateness and extent of applying the existing laws to protect Traditional Knowledge (TK), Genetic Resources (GR) and Traditional Cultural Expressions (TCE) and to propose changes required, if any.
- Examine the issues of technology transfer, know-how and licensing relating to Standard Essential Patents (SEPs) on fair and reasonable terms and provide a suitable legal framework to address these issues, as may be required.

4. *To modernise and strengthen service-oriented IPR administration*- This would include:

- Bringing the administration of the Copyright Act, 1957, hitherto under the Department of Higher Education, and the Semiconductor Integrated Circuits Layout-Design Act, 2000, hitherto under the Department of Electronics and Information Technology, under the aegis of the Department of Industrial Policy and Promotion leading to synergetic linkage between various IP offices under one umbrella, streamlining processes, and ensuring better services to the users.
- Efforts towards promotion of technical cooperation with IP offices in other countries in areas such as capacity building, human resource development, training, access to databases, best practices in search and examination, use of Information and Communications Technology (ICT) and user oriented services.
- Collaborate with various R & D Institutions, Universities, Funding Agencies, Chambers of Industry and Commerce in providing advisory services to improve IP creation, management and utilisation.
- Create a cell for IPR Promotion and Management (CIPAM) under the aegis of DIPP to facilitate promotion, creation and commercialisation of IP assets.
- Office of the Controller General of Patents Designs and Trademarks shall fix and adhere to timelines for grant of registrations and disposal of opposition matters; adopt best practices with respect to filing and docketing of documents, maintenance of records and digitizing the same, including document workflow and tracking systems; create a service-oriented culture to make the IP office user friendly among other things.
- Efforts towards modernization of the physical and ICT infrastructure of the IP office to accelerate e-filing, e-processing and other e-services, as well as adopting best practices for filing and docketing of documents and maintaining and tracking records.

5. *Get value for IPRs through commercialisation- This would include:*

- Synergizing the activities of IP facilitation centres with the industry and creating a public platform to function as a common data base for IPRs.
- Promoting licensing and technology transfer for IPRs; devising suitable contractual and licensing guidelines to enable commercialisation of IPRs; promoting patent pooling and cross licensing to create IPR based products and services.
- Incentivize Indian inventors, MSMEs, start-ups to acquire and commercialize IPRs in other countries also.
- Providing financial support for development and commercialisation of IP assets through links with financial institutions including bonds, venture capital funds, angel funds, crowd funding mechanisms.

6. *To strengthen the enforcement and adjudicatory mechanism for combating IPR infringements- This would include:*

- Enhancing coordination between various agencies and providing direction and guidance on strengthening enforcement measures.
- Examining the implications of jurisdictional difficulties among enforcement authorities and introducing appropriate technology based solutions for curbing digital piracy.
- Adjudicate IP disputes through Commercial Courts, set up at appropriate level.
- Promoting ADRs in the resolution of IP cases by strengthening mediation and conciliation centres and developing ADR capabilities and skills in the field of IP.

7. *To strengthen and expand human resources, institutions and capacities for teaching, training, research and skill building in IPRs- This would include:*

- Strengthening IP chains in educational institutes of higher learning and introducing multidisciplinary IP courses/modules in all major training institutes. Making IPR an integral part of the curriculum in all legal, medical, technical and management educational institutions.
- Reinforcing research and training in collaboration with WIPO, WTO and other International Organisations and reputed foreign Universities.
- Creating new IPR cells and management units in NIDs, NIFTs, Agricultural Universities, Technology and Management Institutes and centres of skill development;

To summarize, the Policy aims to sustain entrepreneurship and boost "Make in India" campaign. It also intends to create awareness about economic, social and cultural benefits of IPRs among sections of society. The purpose is to develop an increasing pool of skilled IP experts, to facilitate the growth and judicious management of IP assets. The Policy also endeavours to enhance access to healthcare, food security and environmental protection. It purports to weave in strengths of the Government, research and development organisations, educational institutions, corporate entities, including MSMEs, start-ups and other stake holders towards creation of an innovation-conducive environment.

However, some are of the view that the Policy lacks specifics and fails to foster innovation. Few have opined that it is an attempt to calm the nerves of India's trade partners, especially the US since it had raised concerns over the IPR regime in India and classified India on the 'priority watch list'.

Overall, the Policy, the first of its kind in the country, is a significant, though not entirely adequate, step forward towards evolving a holistic, just and fair IPR policy regime.

Punitive damages granted to Cartier International and Others

The plaintiffs, Cartier International and others, part of the world renowned Richemont Group, are engaged in the manufacture and sale of a wide range of luxury products under their respective trade marks. Plaintiff Nos. 2 (Panerai) and 3 (Richemont International) are engaged in the manufacture and sale of watches and other horological and chronometric instruments while plaintiff No.1 is engaged in the manufacture and sale of jewellery, writing instruments and leather goods as well. They filed the present suit seeking *inter alia* permanent injunction restraining infringement of their trade marks, passing off, damages etc. against the defendants, Gaurav Bhatia and others on the ground that the defendants were operating an e-commerce website, www.digaaz.com, where they were offering counterfeit products, bearing the trade marks and logos of various luxury brands, including those of the plaintiffs, for sale. In addition, the defendants were providing these goods with model names identical to those used in relation to the plaintiffs' original product lines and collections.

The plaintiffs contended that on account of long and continuous use coupled with extensive sales spanning a wide geographical area, they have acquired a distinct and distinguished reputation and goodwill amongst consumers and members of the trade all over the world. The plaintiffs also submitted that they have incurred substantial expense towards advertisement and promotion of their products in India, which are sold under the suit trade marks through mediums of electronic and print media. The plaintiffs issued cease and desist notices to the defendants but received no response. Despite receipt of the notices, the defendants continued to offer counterfeit products for sale under the suit trade marks on their website.

The plaintiffs complained that the defendants had quoted exorbitant prices for the counterfeit goods on the website, thus, misleading the consumers and members of the trade into believing that the products sold by the defendants have originated or are endorsed and/or authorised by the plaintiffs. It was also submitted that the purchasing public is bound to assume some sort of association or connection between the defendants' products and the plaintiffs thereby leading to confusion. It also came to the notice of the plaintiffs that many consumer complaints had been lodged by the customers who were cheated by the defendants, since, apart from the website www.digaaz.com, the defendants were also selling their products on the website www.watchcartz.com and www.luxecart.com. In fact, the volume of counterfeit goods sold by the defendants demonstrated that they were seasoned infringers and counterfeiters with a regular supply of counterfeit goods. The plaintiffs further alleged that the use of the suit trade marks by the defendants amounted to a deliberate and wilful infringement of the plaintiffs' proprietary rights by the defendants and caused irreparable loss and injury to the plaintiffs.

In light of the aforesaid contentions, the plaintiffs alleged that they have suffered irreparable loss and injury and claimed damages from the defendants. The plaintiffs led evidence to prove the gains supposedly made by defendants using alternate methods of calculation. Accordingly, the Hon'ble High Court of Delhi, relying on *Time Incorporated v. Lokesh Srivastava and Anr*., where it granted both exemplary and punitive damages against the defendants in *ex-parte* matter of similar nature observing that "time has come when the Courts dealing in actions for infringement of trademarks, copyrights, patents etc., should not only grant compensatory damages but also award punitive damages with a view to discourage and dishearten law breakers who indulge in violation with impunity out of lust for money, so that they realise that in case they are caught, they would be liable not only to reimburse the aggrieved party but would be liable to pay punitive damages also, which may spell financial disaster for them." passed a decree for permanent injunction and granted punitive damages of INR one crore (USD 150,000 approx.) in favour of the plaintiffs and against the defendants.

Shallaki not descriptive and its use injuncted

The High Court of Bombay in a Notice of Motion in a suit for trade mark infringement and passing off filed by the plaintiffs in respect of their mark "Sallaki" injuncted use of the word SHALLAKI and rejected the plea that the offending use was descriptive. Gufic Private Ltd. and others (plaintiffs) had adopted the mark "Sallaki" in 1981 for ayurvedic preparation made from a herbal extract of "Boswellia Serrata (Guggal)" and sold in the form of tablets, capsules as well as an ointment. The plaintiffs got the mark registered in Class 5 in 1982 and claim to have statutory and common law rights therein.

The plaintiffs became aware of the defendant's preparations bearing the impugned mark SHALLAKI in 2009 and sent a cease and desist notice, followed by two further notices in 2010 and 2012 respectively, but did not receive a substantive response.

The defendant, Vasu Healthcare Private Limited, attempted to establish that the plaintiffs' mark "Sallaki" was descriptive within the meaning of Section 35 of the Trade Marks Act, 1999 because the plant from which the medicine is derived is called Sallaki in Sanskrit. It also referred to number of extracts from various websites and to the photographs of containers of products of other manufacturers *viz*, Himalaya, Natura to establish the fact that the word Sallaki is openly and commonly used in the entire trade. To further support the term's wide use, the defendant provided sixteen examples of how the mark Sallaki or its variant were being used by manufacturers.

The plaintiffs argued that the term "Sallaki" is not descriptive; it is a derivative of a Sanskrit word and has alternatively acquired a secondary meaning by virtue of its extensive and continuous use by the plaintiffs since the year 1982, when the mark was registered. Relying on its legal battle with *Himalaya Drug Company*, the plaintiffs contended that it was unequivocally recognized by a Single Judge of the Bombay High Court that the mark "Sallaki" isn't descriptive. Therefore, an argument which was squarely rejected in one case, cannot be pressed into service in another. They also placed reliance on *Jagdish Gopal Kamath and Ors. v Lime and Chilli Hospitality Services* and relied on the findings that to succeed, the defendant must establish that the marks which it claims are generic, common to the trade or descriptive, are many; are extensively used and in fact, so common that they can no longer connote any one particular vendor, manufacturer or user.

The Court, however, observed that defendant's use of the mark is purely 'trade marky' and not in any descriptive sense at all. This is evident from the packaging of the product with the use of the trade mark symbol. The cardboard carton also showed the defendant's name with the word SALLAKI. The Court further opined that it is not justifiable to say that since there is a known Sanskrit word for a particular plant therefore, it is axiomatically descriptive. Further, much of the material that the defendant relied on shows that there are several alternative names for this very same plant and the very same extract. Moreover, websites prove very little and photographs of containers of others do not evidence extent of sales.

The Hon'ble Court of Bombay found the two marks to be visually, structurally and phonetically indistinguishable. It was held that the defendant's use of the mark was very much as a trade mark and not in any descriptive sense. The Court found that the plaintiffs have made out a *prima facie* case and the balance of convenience is also in their favour. Keeping in mind the perspective of the average consumer of the aforesaid product, the Court granted interim injunction in favour of the plaintiffs.

ASCI's objection to an advertisement not a commercial dispute

The ASCI (Advertising Standards Council of India) directed Havells, an electrical goods manufacturer to modify or withdraw its advertisement which showed a lunch box suspended with the support of "HAVELLS" wire above the fire to heat the food and carrying the tag line "wires that do not catch fire" on the ground that it is misleading.

Aggrieved by the aforesaid order, Havells filed a suit challenging ASCI on the ground that the order is non-speaking and cryptic. Further, it is a self-regulatory body and its order/ direction is not binding. It was also contended that since the present suit is a commercial dispute, it should be retained by the present Court as a commercial cause.

Havells claimed that the impugned order that was passed by ASCI restricts it from exercising *inter alia*, its intellectual property rights in the tagline created by using rhyming words- as an expression of creativity, which has attained goodwill and reputation by virtue of its long and continuous use. They also submitted that the defendant, ASCI had issued the impugned direction without following the due course of law, including non-compliance of the principles of natural justice as it had been passed without an opportunity of hearing to the plaintiff.

The plaintiff submitted that the slogan/tagline is a 'well-known trade mark' as it is exclusively associated with the plaintiff. Also, in its commercial/cinematograph film, the plaintiff enjoys copyright which is protected under section 14(d)(iii) of the Copyright Act, 1957 i.e. the right to communicate the cinematograph film to the public. Reliance was placed on decisions of the Delhi High Court, wherein the Court had protected the tagline "ALLROUND PROTECTION" in relation to the tooth paste and the brand 'knock out' for beer.

The plaintiff also referred to the definition of "commercial dispute" under section 2(1)(c) of the Commercial Courts Act to give it an expansive meaning so as to include all commercial disputes, even though they may not strictly fall within the definition of the said term used in the Act. It further submitted that since the dispute between the parties arise out of intellectual property right related to registered and unregistered trade mark and copyright, the same is a "commercial dispute" within the meaning of the said Act.

The defendant, however, submitted that the claim with regard to the plaintiff's wires and cables that they are "Wires that don't catch fire" is misleading by exaggeration. The said products of the plaintiff may be made of fire retardant material, but the wires will burn when put in flames and shall continue to burn as long as the flame is maintained by other combustible materials. According to the defendant, there is a difference between the use of the expression "do not burn" and "are fire retardant" and "do not aid in continuation of fire". Further, it was emphasised by the defendant that the protection enjoyed by the plaintiff in respect of the tagline under the Trade Marks Act would not afford any protection to the plaintiff against the breach of advertising laws.

The repeated and wholesale assertions made by the plaintiff with regard to its continuous usage of the tagline “Wires that do not catch fire” over the years in its commercials, and the fact that the tagline has a recall value for its products, namely cables and wires, is of no relevance as the only dispute raised by the defendant is with regard to the said claim, that the same is deceptive and misleading by exaggeration.

The Court opined that the present suit is not a suit relating to intellectual property dispute, it is simply a suit challenging the action of the defendant in issuing the impugned order/ direction. It held that the suit does not raise a ‘commercial dispute” within the meaning of section 2(1)(c) of the Commercial Courts Act and since the jurisdictional value of the suit is below INR 2 Crore, the same is liable to be transferred to the competent District Court. The Court also did not accept the argument of the plaintiff that the expression ‘commercial dispute’ should be construed widely as the Parliament had consciously given the precise definition of ‘commercial dispute’.

Generics end the battle for the compulsory licence

As reported in the April 13, 2016 issue of *The Hindu*, Indian drug makers, BDR Pharma and Lee Pharma have decided to give up manufacturing patented drugs of Bristol Myers Squibb and Astra Zeneca, respectively blaming lack of government support for inexpensive medicines and pressure from pharmaceutical gaints.

BDR and Lee had been seeking compulsory licenses to launch medicines manufactured by global pharmaceutical companies. While BDR's request for compulsory license for Dasatinib, a cancer drug was rejected in 2013 (covered in our newsletter of *Oct-Nov, 2013*), Lee Pharma's application to manufacture Astra Zeneca's Type 2 diabetes drug Saxagliptin was disallowed in January, 2016 (covered in our newsletter of *December-January, 2016*).

It was further reported that in both the cases, rejection was on the ground that the drug makers had not made any credible attempt to obtain voluntary licenses.

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