Protecting designs in India Vikram Grover Groverlaw Advocates

India: Managing the IP Lifecycle 2015/2016





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Protecting designs in India

By Vikram Grover, Groverlaw Advocates

'Design' in common parlance refers to the aesthetic aspects of an article (ie, its physical appearance). It is highly relevant, as an article's marketability depends to a considerable degree on how appealing it appears to consumers. Creative endeavours that can be replicated using industrial processes or means need protection in order to confer a competitive advantage on rights holders and deter pirates.

The Designs Act 2000 and the Designs Rules 2001 (which replace the 1911 act and the 1933 rules) constitute the statutory and regulatory design laws in India. They aim to balance the competing interests of rights holders wishing to protect their designs against the public interest in common shapes being kept available. Registration of designs in respect of any or all articles comprised in a prescribed class is mandatory if protection is to be claimed. The classification is based on the Locarno classification system.

What constitutes a 'design'?

'Design' is defined by statute to comprise features of shape, configuration, pattern, ornament or composition of lines or colours applied to any article in two or three-dimensional form, or both, by any industrial process or means – whether manual, mechanical or chemical, separate or combined – which in the finished article appeal to and are judged solely by the eye.

This definition specifically excludes any mode or principle of construction, anything which is in substance a mere mechanical device, any trademark or property mark or any artistic work as defined by the Copyright Act. An 'article' is a manufactured object and may be of any substance – artificial or a mixture of artificial and natural – and include any part that is capable of being made and sold separately. The terms 'pattern' and 'ornament' in most cases refer to decorative elements applied to an article. 'Shape' and 'configuration', on the other hand, have a direct bearing on the article's structure or arrangement. It is often difficult to distinguish between the design and the article itself.

The application of a design to an article is of great significance as shape, configuration, pattern and ornament are not protected in the abstract, but only when applied to an article (*Castrol v Tide Water*, 1996). It has been held that a functional part of an article may still be registrable, as there may be cases where the design is functional, yet also fulfils the test of being appealing to the eye (*Micolube v Rakesh Kumar*, 2013).

Designs which are registrable

In order to be registrable, a design must be:

- new or original;
- not published (ie, disclosed to the public either in India or abroad in a tangible form or through use or in any other way before the application is filed);
- significantly distinguishable from known designs or combinations of known designs; and
- devoid of scandalous or obscene matter.

The expression 'new' refers to something which comes into existence for the first time. However, mere novelty of form or shape is insufficient to make a design registrable. A design may be claimed to be new or novel if it involves a new element or an old element in a new position or combination, and this is different from anything found in any previous structure. In order to determine registrability, the design in question must be examined with an educated eve to ask whether there is a difference between it and previous designs (Hello Mineral v Thermoking, 1999). While a design may not be new because it exists in the public domain and is otherwise well known, it may still qualify as original if it is applied in a new manner - for example, to an article to which it has not previously been applied (Reckitt Benkiser v Wveth Ltd. 2013).

'Publication' is not defined in the relevant legislation. It is widely held that that publication takes place in two main ways: print and prior use. Courts express it as something which is not a secret, but is rather available in the public domain. The design need not have actually been used. For instance, disclosure to an individual who was under no obligation to keep the design secret would constitute publication (*Wimco v Meena Match*, 1983). However, where a design has been disclosed to another in confidence or disclosed in breach of good faith, such disclosure shall not constitute publication in India.

CS Shape, configuration, pattern and ornament are not protected in the abstract, but only when applied to an article **JJ** Registration abroad *per se* is not grounds for rejection, as the mere existence of a design in a register of designs open to public inspection in a convention country may or may not constitute publication. If the design is open to public inspection and the application of the design to an article has been clearly depicted, it will be taken to have been published and registration can thus be refused (*Reckitt Benkiser v Wyeth*, 2013).

Rights conferred by registration

Registration confers the exclusive right to apply the design to any article in the class in which it is registered. This right lasts for a 10-year period, which can be extended by five years. Thereafter, the design becomes public property and can be used by anyone. It has been opined that design rights were never protected by common law and thus confer a lesser monopoly than ordinary copyright. A registered design is open to cancellation proceedings by any interested person on the grounds that it is not registrable and/or does not qualify as a design.

Infringement of designs

It is illegal to apply a registered design, or a fraudulent or obvious imitation of such, to an article or to import, publish or expose an article to which such a design has been applied in the same class of articles in which the design is registered, without authorisation from the registered owner. Available recourse includes filing suit to recover a nominal sum from the infringer as a contract debt or seeking damages and an injunction against misuse of the design.

Not every resemblance is actionable and imitation does not mean duplication. An obvious imitation is one which immediately strikes one as being so like the original registered design as to be almost indistinguishable. In contrast, the word 'fraudulent' presupposes knowledge of the registered design.

To ascertain infringement, the two products need not be placed side by side, but rather examined from the point of view of a customer with average knowledge and imperfect recollection. The main consideration is whether the broad features **Courts have frequently frowned upon design** registrations when tested and have found them wanting in originality and the scope of novelty which is being claimed before them **J**

of shape, configuration and pattern are similar to one another (*Veeplast v Bonjour*, 2011). In some cases courts may also attempt to ascertain substantial differences. Interestingly, the Delhi High Court (*Micolube v Rakesh Kumar*, 2013) and the Calcutta High Court (*Kent R-O Systems v Sandeep Agarwal*, 2014) are at variance on whether the registered proprietor of a design can institute a suit against another registrant; the Delhi High Court takes the view (affirmed by the Bombay High Court in Whirlpool v Videocon, 2014) that there is no bar.

All grounds available to a person seeking cancellation may be adopted as a defence in infringement proceedings. In *Steelbird v Gambhir* (2014) the Delhi High Court upheld the defendants' plea that the design was neither new nor original and thus not eligible for protection, and vacated the interim injunction. The Madras High Court has observed that the remedies available to a registered rights holder, the defence available to the opposing party and the nature of the available reliefs are not clearly indicated in the Designs Act (*MC Jayasingh v Mishra Dhatu*, 2014).

Passing off under Indian design law

Courts have long debated whether the common law remedy of passing off is available for designs. In 1983 the Delhi High Court held that since no express provision for passing off is mentioned, unlike in trademark legislation, it cannot be claimed by a plaintiff. Much later, the court in *obiter* took the view that rights in registered designs are set out in the Designs Act itself, whereas passing off is established under common law. As a result, the rights are distinct and different. It observed that the absence of an express provision does not mean that passing off is not available under design law (*Smithkline Beecham v Hindustan Lever*, 1999).

In a recent case a majority of judges at the Delhi High Court opined that the remedy of passing off is indeed available to the owner of a registered design if the design is used, post-registration, as a trademark. It also stated that the remedy of infringement under the Designs Act and the remedy of passing off are essentially different. Therefore, as the two remedies stem from different causes of action, they cannot be combined in the same suit. However, the court did note that if the two matters are instituted at close proximity to one another and the court has jurisdiction in both matters, they can be heard together for the sake of convenience, albeit as separate causes (Micolube v Rakesh Kumar, 2013). The High Court of Bombay affirmed this decision, holding that an action for passing off is designed to protect the goodwill or reputation stemming from the shape of goods (Whirlpool v Videocon, 2014).

Overlaps

The intersection between copyright and designs is an intricate area of law. While the Designs Act confers protection for a limited

period, the Copyright Act grants a higher level of protection to works such as paintings and sculptures. To prevent any overlap, the Designs Act explicitly excludes artistic works. Further, the Copyright Act provides that copyright shall not subsist in any design which is registered under the Designs Act. Any subject matter that is capable of being registered under the Designs Act but is not will lose copyright protection as soon as any article to which the design has been applied has been reproduced more than 50 times through an industrial process. This provision not only discourages parties from availing of protection under both acts, but also ensures that anyone attempting to do so has both sets of rights extinguished.

Trademarks and designs are essentially different rights, in the sense that designs are more concerned with an article's appearance, while trademarks relate to the origin of the goods and services. While the Designs Act expressly excludes trademarks, trademark law includes the shape of goods within the ambit of a trademark, even though shapes which give substantial value to the goods are excluded from registrability. It thus cannot be said that a design, which includes the shape of goods, can never be used as a trademark or not protected under trademark law.

Case law

In *Samsonite v Vijay Sales* (1998) the court held that copyright could not be claimed in a set of drawings and vacated the injunction granted against the defendants, since the suitcases at issue were not registered under the Designs Act and had been reproduced over 50 times.

An injunction was denied in *Taparia Tools v Ambica Overseas* (2005) on the ground that novelty had been claimed only in the shape and configuration in the registration, and not in the scale marking on the wrenches. The court found that designs similar to the plaintiff's wrenches and pliers were present on the market before the design's registration, and that the shape and configuration of this design were dictated by function.

In *Marico v Raj Oil* (2008) the court held that caps were articles as defined under the Designs Act and were "capable of being made



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and sold separately". However, an injunction in this instance was refused, since the rival caps were dissimilar.

In *Troikaa v Pro Labs* (2008) the defendant was restrained from manufacturing, marketing and using tablets that were similar in shape and colour to the plaintiff's tablet, as it had registered the shape and configuration under the Designs Act.

In *Mattel v Jayant Agarwalla* (2008) the court held that the Scrabble board was an article capable of design protection, but since more than 50 copies had been made and the design was not registered, copyright protection for the design could not be claimed by the plaintiff.

In Whirlpool v Videocon (2014) the court found that the design of the plaintiff's washing machines was distinct and had garnered substantial goodwill in the market. Observing that the definition of a 'trademark' includes the shape of goods, the court allowed the plaintiff's claim of design infringement and passing off against the defendant.

In *Jagdamba v Tristar* (2014) the appellate court reversed the trial court's decision with regard to industrial drawings of the plaintiff's machine and major components, holding that the drawing was not entitled to copyright protection as more than 50 products had been manufactured by applying the drawings to the machine.

Change is the only constant

The design laws of many jurisdictions are evolving to address the concerns of creators and innovators. Within the existing legislative framework, courts in India have upheld the rights of design holders where these were unimpeachable. This notwithstanding, several grey areas have emerged where either the provisions of the legislation are equivocal or the ambit of the right claimed is dubious. Courts have frequently frowned upon design registrations when tested and have found them wanting in originality and the scope of novelty which is being claimed before them.

The number of design applications, including those claiming priority from convention countries, has increased from 3,350 in 2001-2002 to 8,337 in 2012-2013. These figures suggest a degree of scepticism in the prevailing protection and enforcement mechanisms. Perhaps the Design Office needs to review its examination procedure and include more thorough novelty searches to ensure that when applicants are granted a right, they can be reasonably sure that it is stable and can be relied upon to curb misuse. The Design Office also needs to accelerate its digitisation initiative and make design records available online (a search facility is in the offing), without the need to file a formal request with the head office in Kolkata.

The legislature should further take note of trends in case law and consider updating Indian design law accordingly. For instance, certain unregistered designs are afforded protection for a limited period in the United Kingdom and the European Union. In fact, the United Kingdom has even extended protection to commercially exploited artistic works for the full copyright term and treated design infringement as a criminal offence. This underlines the fact that not all commercially exploited artistic works can be placed in the same category as common industrial designs, and that each variation/ iteration is registered as a precondition to claiming protection. South Africa has specific provisions on spare parts - which may have both aesthetic and functional attributes - which provide clarity on the scope of protection available to rights holders. Thus, a few well-chosen changes to the Indian regime could boost the often overlooked and underrated design right.

Shreya Verma and Sukanya Sarkar assisted in the preparation of this article \blacksquare



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