

THE S&S PULSE- NEWSLETTER

July 2023 | Vol. 2 Issue #01



DEAR READERS,

Welcome to the First Edition of Singh & Singh Law Firm LLP's Newsletter! We are delighted to present you with an overview of one year of the Delhi High Court IP Division's functioning, fascinating cases in IP and insights on emerging trends in interrelated areas such as TMT.

At our firm, we recognize the importance of staying informed in an ever-evolving legal landscape. Through this newsletter, we strive to offer you a glimpse into the fascinating realm of intellectual property law, showcasing the achievements and milestones achieved by the Delhi High Court's IP Division.

From landmark judgments to recent policy developments, we seek to fill you in on all that's hot and happening in IP and TMT.

Our endeavor has been to present content on complex legal issues in a lucid and engaging manner.

IN THIS ISSUE:

INCEPTION OF THE IPD

After the abolishment of the IPAB, the Delhi HC had to come up with an effective solution to resolve IP disputes, the Intellectual Property Division (IPD).

CASES TO WATCH

Overview of the significant IP cases heard by the Delhi HC, with summaries of the rulings, highlighting the legal principles and precedents established.

INSIGHTS- TMT AND RELATED AREAS

Emerging trends in TMT and other areas intertwined with IP.



INCEPTION OF INTELLECTUAL PROPERTY DIVISION AT DELHI HIGH COURT

The biggest issue raised as a result of the IPAB's dissolution was whether the High Court would be able to efficiently settle the numerous intellectual property disputes that would now fall within its jurisdiction. The Hon'ble High Court of Delhi addressed such doubts and concerns. A remedy - the Intellectual Property Division - was established by a committee comprising of Hon'ble Ms. Justice Prathiba M. Singh and Hon'ble Mr. Justice Sanjeev Narula, under the erstwhile Hon'ble Chief Justice of High Court of Delhi, Justice D.N. Patel.

On July 7, 2021, a [press release](#) was issued, among other things, announcing a Delhi High Court directive to establish an Intellectual Property Division (IPD) within the Delhi High Court. The intent behind the same was to avoid duplication of proceedings and any conflicting rulings regarding the same trademarks, patents, designs, and so on. In February 2022, the IPD Rules were notified.

EFFICIENCY OF THE DHC IPD

- Delhi High Court's (DHC's) dedicated intellectual property division (IPD) has brought in much needed efficiency. 600 cases out of 2000 cases received from IPAB have been disposed of in one year.
- The setting up of the separate division has resulted in approximately 650 fresh intellectual property suits being filed in one year before the High Court.
- More than 45% of the appeals which were received on patents have been disposed of.
- More than 100 out of 270 trademark petitions received have been disposed of.
- Out of 700 cases being disposed of, only 60 have been appealed. This highlights the faith and acceptance in the decisions of the IP division.



Justice C. Hari Shankar

Justice Prathiba M. Singh

CURRENT MEMBERS

According to the [Delhi High Court Roster](#), w.e.f. 03/07/2023, the following judges form the IP Division:

1. Hon'ble Ms. Justice Prathiba M. Singh
2. Hon'ble Mr. Justice C. Hari Shankar

The IPR Appellate Division, which will hear all categories of appeals related to IPR matters, is the Division Bench of Hon'ble Mr. Justice Yashwant Varma and Hon'ble Mr. Justice Dharmesh Sharma.



Ace Technologies Corporation. v. Communication Components Antenna Inc.,

2023 SCC OnLine Del 2082

In this matter, a Division Bench of the Hon'ble Delhi High Court recently passed an order upholding the order of the Ld. Single Judge. The impugned order was itself unique in that it directed the Appellants to furnish a bank guarantee of 40 Crores in respect of sale of infringing antennae prior to filing of the suit, and further 14.5 Crores with the Registrar General of the Court, failing which the Appellants would have been restrained from dealing with any models of infringing antennas. Some of the key findings of the order are:

1. Not manufacturing the impugned product in India and merely importing it would also result in an infraction of Section 48;
2. While claims should be read in light of the specification, the embodiments from the written description cannot be read to expand the scope of the claims;
3. A mere discovery of a new use of the known process/product would not be patentable under Section 3(d), but a known product, which is specifically modified and configured to provide a specified result of an economic value would be patentable;
4. The question of whether the specification sufficiently discloses the method of working is required to be determined independent of any observations made by the patent office of any other country.

Reckitt Benckiser (India) Pvt. Ltd. v Wipro Enterprises (P)

Ltd., 2023 SCC OnLine Del 2958

This was one of the most interesting cases adjudicated upon by the IPD of the Delhi High Court in 2023. It was on disparaging advertisements and dealt with the subject in depth. The Plaintiff in this case contended that the Defendant's television commercial was in bad taste and had depicted the Plaintiff's product (Dettol Handwash) as a product inferior to the Defendant's (Santoor Handwash).

The court, while referring to past cases, such as the legal battles between Pepsi and Coke over disparaging ADs, held that in the present case there was no case of disparagement. The reason for its judgment was that while denigrating a rival's product without any basis was disallowed, there was no bar to mere puffery or claiming that one's own product had better features than another's.

BOEHRINGER INGELHEIM PHARMA GMBH VS VEE EXCEL DRUGS AND PHARMACEUTICALS PRIVATE LTD. & ORS, MANU/DE/2179/2023

(Alkem Laboratories was represented by Singh & Singh)

In a judgment pronounced in march this year, the Hon'ble Delhi High Court has denied interim injunction to Boehringer Ingelheim for the drug Linagliptin, holding that the species patent is vulnerable to challenge. The judgment analyses the earlier landmark judgements concerning the drug Dapagliflozin passed by both Hon'ble Single Judge Benches, as also the Hon'ble Division Bench, and culls out the 'principles of law' that emerge from the Division Bench Judgment. The present judgment clarifies:

- 1) A clear test for establishing prior claiming - The judgment notes that in order to establish prior claiming, four factors ought to be satisfied: the prior patent has to be the one granted in India; the said prior patent has to have an earlier priority date than the latter patent application; it needs to be proved that the invention claimed in the latter patent was also claimed in the earlier patent application; the date of publication of prior patent is irrelevant.
- 2) Issue of working statements (form 27s) - not only should working statements be considered for infringement analysis, but also that a patentee cannot be permitted to resile from the data given in these forms, claiming them to be 'mistakes'.
- 3) Admissions made after the grant of the patent: The judgement expressly notes that admissions made by a patentee after the grant of the patent would have a bearing on the injunction application, citing Novartis and Dapagliflozin.

MICROSOFT TECHNOLOGY LICENSING LLC V. THE ASSISTANT CONTROLLER OF PATENTS AND DESIGNS [NEUTRAL CITATION: 2023:DHC:3342]

- The Hon'ble Delhi High Court in a recent decision dated 15.05.2023 reaffirmed that the phrase “computer program per se” appearing in Section 3(k) of the Patents Act, 1970 does not bar patenting of all software-related inventions. It was specified that if it is shown that the invention makes a technical contribution or results in some technical advancement, the same is patentable under the Patents Act, and cannot be considered to be a “computer program per se”. The Ld. Single Judge, before delivering its verdict succinctly captured the entire legislative history of Section 3(k) of the Patents Act.
- In the said judgment, the Ld. Single Judge clarified the contours of an algorithm and how the same differs from a solution based computer program, having technical effect over the known art. It was categorically held that merely because the invention can be performed on a general purpose computing device and involves a set of algorithms which are to be executed in a predefined sequential manner on such general purpose computing device, is not sufficient for rejecting the patent application. The Ld. Single Judge also opined that the cumulative effect of the invention is what is to be seen and if the same results in a technical effect which improves the functionality and effectiveness of a computer system, the claimed invention cannot be rejected on the threshold of Section 3(k) of the Patents Act.
- Lastly, the Hon'ble Delhi High Court noted that the clarity on concepts such as “technical effect and contribution” were absolutely crucial for determining patentability of Computer Related Inventions (CRIs). It was suggested that measures should be put in place to establish clear and consistent criteria and guidelines for determining patentability of CRIs. The same was necessary because of the rapidly evolving nature of technology, in which a meritorious invention ought to get the protection it deserves under the prevalent law and to create the balance between rights of innovators and the general public.
- With these observations, the Ld. Single Judge remanded the matter to the Controller of Patents for consideration of the merits of the invention on novelty and inventiveness, which were not considered in the Controller's order which had summarily rejected the patent application under Section 3(k).

INTEX TECHNOLOGIES (INDIA) LTD. V. TELEFONAKTIEBOLAGET L.M. ERICSSON, FAO(OS)(COMM) 296/2018

(Ericsson was represented by Singh & Singh)

In its judgment dated 29th March, 2023, the Hon'ble Division Bench of the Delhi High Court, while affirming the Ld. Single Judge's findings, has directed Intex to make deposit of interim royalty directly to Ericsson as determined by the Ld. Single Judge.

In this seminal and landmark judgment, the Hon'ble Court has also dealt with the prevalent jurisprudence relating to Standard Essential Patent (SEP) litigation and FRAND and laid down guiding principles for Courts in India to follow in such cases, as follows:

1. FRAND is not a one-way street and the same casts an obligation on both the SEP owner and implementor to negotiate and act in conformance with the FRAND protocol specified under the CJEU judgment in Huawei v. ZTE;
2. Parties' conduct during negotiation of a FRAND license is a relevant factor for determining willingness to execute a license;
3. Disclosure of third-party license agreements by an SEP proprietor during negotiations is not mandatory or a precursor for the implementor to revert with a FRAND counter-offer. The implementor can place reliance on its own licenses executed with third-parties and other SEP proprietors to formulate an appropriate counter-offer or to determine if the SEP proprietor's offer is FRAND;
4. There is no embargo on grant of injunctions (both at the interim and final adjudication stage) against an implementor who is unwilling;
5. If the negotiations between parties fail, that does not mean that an implementor can continue to use the technology of the SEP proprietor for free, without making any payment for such use;
6. Implementors are mandated to make certain deposits/furnish security in favour of the SEP proprietor in case negotiations fail, in order to balance the right of the SEP owner;
7. Infringement in SEP cases can be established by using claim charts;
8. Portfolio licensing on a global basis is in conformance with commercial practices in the industry and is FRAND;
9. The finding of the Ld. Single Judge and four-factor test prescribed in paragraph 77 of the Nokia v. Oppo judgment dated 17.11.2022 is contrary to law;
10. Under the Patent Rules, 2022 courts can direct deposit of some security even on the first date of hearing;
11. The peculiarities of the English system of conducting an SEP trial, in a stage-wise manner, cannot be applied in the Indian context, as the realities of the Indian legal system differ and should be considered;

All of the aforementioned findings are of great significance, having huge global ramifications, in terms of the settled SEP jurisprudence globally

INSIGHTS- TMT AND RELATED AREAS



Online Gaming Providers Now Classified as 'Intermediaries' Under IT Act Amendment

- The [Amendment Rules](#) define an online gaming provider as a "intermediary" under the Information Technology Act of 2000 (the "IT Act"), creating a new classification called "Online Gaming Intermediary."
- The Rules also impose additional compliance requirements on Online Gaming Intermediaries that allow access to permitted real money games.
- Additionally, the updated rules provide a co-regulatory framework between the Ministry of Electronics and Information Technology and registered self-regulatory bodies (SRBs).
- The guidelines also require that intermediaries do not host or allow any third party to host any online real money game that has not been confirmed as a lawful online real money game on their platforms.

Landmark Ruling Explores Right of Publicity and Freedom of Speech in Online Fantasy Sports Platforms

- Delhi High Court examines the scope of the right of publicity, commonly referred to as "personality rights", in the absence of a specific statute in India.
- Use of celebrities' names, images, and publicly available information in online fantasy sport platforms does not imply endorsement and mitigates the likelihood of consumer confusion.
- Right to publicity must be balanced against the right to freedom of speech and expression under Article 19 of the Indian Constitution.
- Information in the public domain, such as on-field performance statistics, cannot be owned and is protected under freedom of speech.
- The use of players' names, images, and statistics for commercial gain qualifies as protected free speech.
- There was no copyright violation as what was used was artistic renditions, not photographs, on NFT digital player cards.

(see Digital Collectibles Pte Ltd v Galactus Funware Technology Private Limited (CS(COMM) 108/2023))

CONTACT US



+91 11 - 4987 6099



email@singhandsingh.com



Singh & Singh Law Firm LLP
C-139, Defence Colony
New Delhi – 110 024

CREDITS

- Firm Members- Ms. [Vrinda Bagaria](#) (Principal Associate), Ms. [Vrinda Pathak](#) (Principal Associate), Mr. [Utsav Mukherjee](#) (Associate)
- Firm Trainees- Anish Jindal, Muskan Chaturvedi, Kashish Daga and Lavanya Bhargava

Disclaimer

This newsletter is for informational purposes only and does not constitute legal advice. The views expressed in the articles and opinions are those of the respective authors.