IP Case Law Developments *

Zakir Thomas†
CR D II-12, Pandara Park, New Delhi 110 001

Received 23 February 2009

This article attempts to summarize some of the recently reported cases on intellectual property law to enable readers to understand how the courts have applied principles of intellectual property law to actual IP disputes. In this article, widely discussed cases on, trademark law, copyright law and patent law are covered.

Keywords: Trademark, trademark on games, copyright assignment, originality, patents, Section 3(d) of Indian Patent Act

The concepts we read in intellectual property law acquire better clarity when understood in the context of application of the law by a court to a set of facts in a real life dispute. However, many of the readers of this magazine are scientists and do not get to read the cases. The attempt in this article is to summarize some of the recently decided cases to enable the readers to understand how the courts have applied the law. Obviously, it is neither practical nor necessary to narrate all of the reported cases. Some cases are chosen as they convey a certain principle. To ensure that readers do not get distracted, the issues other than the main principle being explained in the judgment are left out. This narration is intended only to kindle interest of a knowledge seeking mind to go through the full text of the cases and is not intended to be a definitive statement of law or a complete summary of the judgments involved.

Trademarks and Copyright

Scrabble for a Name

Readers may be familiar with Scrabble, a word based board game. This word-based game challenges players to form words on a grid with points scored by forming such words. The game was invented in 1932 by one Mr Alfred Mosher Butts and has been redesigned since then. The trademark SCRABBLE has been used since the year 1948. The current owner of the trademark is Mattel Inc, a company incorporated in Delaware, US. The defendants in this case created an online version of this game, called it SCRABULOUS and posted it on the social networking site.

Mattel Inc & Ors v Jayant Aggarwala & Ors 2008 (38) PTC 416 (Del), dealt with the dispute alleging trademark and copyright infringement. Mattel Inc was the first plaintiff while the second and third plaintiffs were wholly owned subsidiaries of the first plaintiff incorporated in the United Kingdom and India respectively. The plaintiffs own two registrations in relation to the trademark SCRABBLE in India; No. 850786 in Class 9 and No. 342431 in Class 28, from the year 1999 and 1978, respectively.

The plaintiffs claimed that every version of the game since the first in 1932 is an artistic work under Section 2(c) of the Copyright Act, 1957 and plaintiffs' works are entitled to protection in India by virtue of the International Copyright Order, 1991. The plaintiffs have filed a table depicting the flow of title in the copyrighted work, from the creators to the predecessors in the interest of plaintiffs and finally themselves. Following the takeover of the second plaintiff by the first plaintiff in 1999, the game was redesigned and the latest version created. Apart from claiming the ownership in the artistic layout of the board, the plaintiffs also claim to be the owners of the copyright in the rules of the game, which according to them is a literary work under Section 2(o) of the Copyright Act, 1957.

The first and second defendants are brothers and partners in the third defendant, a firm engaged in
providing IT solutions. The plaintiffs allege being appalled to find out that the defendants had launched an online version of their board game under the mark SCRABULOUS, as an application available through the popular networking website www.facebook.com. The online version was also promoted through the defendants’ website, www.scrabulous.com, www.scrabulous.info and www.scrabulous.org. Such unlawful adoption of deceptive and confusingly similar mark for the online version of the plaintiffs’ game, it is claimed amounts to infringement under Section 29 of the Trade Marks Act, 1999 and passing off. The intent to appropriate goodwill of the plaintiffs mark, it was stated, was evident from the fact that the third defendant’s website advertises the launch of the SCRABULOUS as the best place to play Scrabble online for free. The plaintiffs also stated that consumer merchandise in the form of clocks, tableware, etc, were also launched under the mark, SCRABULOUS.

Plaintiffs alleged that apart from adopting a deceptively mark, the defendants, have also infringed the plaintiffs mark by using metatags, which are machine readable codes used by search engines to index sites. The defendants use the following metatags: scrabble online, play scrabble online, free scrabble online, play scrabulous live, etc. The plaintiffs claim that these clearly amount to infringement and passing off, since the defendants, through such tags divert Internet traffic away from the plaintiffs websites and mislead the public that their products are associated with the plaintiffs. Similarly, defendants also use hyperlinks to the plaintiffs’ websites and rules for the scrabble game. Some of the hyperlinks used are: download scrabble free, play scrabble free, free online scrabble, etc. The text of the hyperlinks independent of the content of the websites, it is claimed, is sufficient to constitute infringement. The plaintiffs’ claim the defendants have admitted to their rights in the trademark SCRABBLE, when they addressed an email dated 15 January 2008 to the first plaintiff, inquiring whether they would license the rights to their games.

Copyright Claim

The plaintiffs’ claimed that defendants have infringed their copyright in the game board and the rules. By the use of red, pink, blue and light blue tiles, use of identical patterns of arrangement of coloured tiles and the use of a star pattern on the central square, the plaintiffs claim that the defendants have infringed their copyright in the game board which is an artistic work. Such infringing use of the plaintiffs’ board game it is alleged would cause grave and irreparable loss, since they were planning to launch their online version of the board game. Therefore, the plaintiffs sought an interim injunction restraining the defendants from infringing their rights in the trademark SCRABBLE, from infringing their copyright in the current game board, previously used game boards, rules and formats of the game.

The defendants in their written statement averred that the copyright claim in relation to the game board is not maintainable since the board, which is a three dimensional article is not copyrightable. Additionally, the shape and configuration of the board can be registered as a design, and therefore, monopoly over the copyright extinguished the moment more than 50 articles are produced and commercially sold under Section 15(2) of the Copyright Act. The plaintiffs do not hold a valid design registration and therefore, they cannot claim copyright to that effect. Since the plaintiffs are not the registered owners of any copyright in the rules of the game, no injunction can be claimed in that regard too. The game board could have been protected as a design and the monopoly thereby granted would have lasted only for 15 years. They cannot now claim copyright over the board since that would result in guaranteeing a protection, which does not validly exist in law. It is averred that the said game cannot be treated as a literary work in any manner whatsoever under Section 2(o) of the Copyright Act. The defendants stated that the suit for infringement and passing off in relation to the mark SCRABBLE is not maintainable since the word is a generic/publici juris term, which has become the description of the game and has become a non-distinctive mark, like Ludo, Carrom Board, Cricket, Table Tennis, etc. It is claimed that several hotels, schools, and casinos are employing the same terminology as a general term describing the game rather than to indicate any specific brand supporting their trademark.

The defendants claim to be lawfully operating their websites and that there has been no attempt to misappropriate any traffic. It is claimed that the metatags used are in relation to their product Scrabulous and not Scrabble. Using the word scrabble in coding was a method of describing the game and was not intended to indicate any brand. They also deny that their website contains hyperlinks to various
unauthorized infringing websites. Since the word scrabble is in the public domain, any such use cannot be infringement of the plaintiffs' rights. It is also pointed out that the plaintiffs do not have any version of their game online, and therefore, there is no question of diverting Internet traffic.

The plaintiffs' claim was thus two pronged: firstly, copyright over the game board and the rules of the game, and secondly, claims of infringement of trademark and passing off. The Court examined the copyright claim first.

The Court noted that an essential element of copyright law is that it does not grant protection of ideas and facts. It is only the creative expression of such ideas and facts that is protected by law. The law does not protect every such expression. Applying the doctrine of merger, the courts have refused to protect (through copyright) the expression of an idea, which can be expressed only in a very limited manner, because doing so would confer monopoly on the idea itself. The Court noted the decision in *Atari Inc v North American Philips Consumer Electronics Corp*, 672 F.2d 607, where the doctrine of merger was applied to deny wider protection to the elements in the video games. The US Court of Appeals held in this case that copyright protection does not extend to games as such.

The Court noted that post Supreme Court decision in *Eastern Book Company v DB Modak* 2008 (1) SCC 1, the standard of originality in India has changed. Not every effort or industry, or expending of skill, results in copyrightable work, but only those which create works that are somewhat different in character, involve some intellectual effort, and involve a certain degree of creativity. This standard of originality is applicable in respect of the plaintiffs' claim to copyright in various aspects of the game.

The Court held that in the diagonal colour scheme in Scrabble with values for words, and the combination thereof, the element of modicum of creativity has not been shown, to measure up to the test of 'originality', post Eastern Book Company. Even otherwise, the creative expression, if any is minimalistic not to warrant copyright protection. Furthermore, and most importantly, the application of the doctrine of merger would mean that the colour scheme on such a board can be expressed only in a limited number of ways; if the plaintiffs' arrangement were to be avoided, it is not known whether the idea of such a word game could be played at all. The doctrine of merger is applicable to games so far as they consist of abstract rules and play ideas. By way of illustration, arrangement of colours, values on the board, collocation of lines, value for individual alphabetical tiles, etc, have no intrinsic meaning, but for the rules. If these rules- which form the only method of expressing the underlying idea are subject to copyright, the idea in the game would be given monopoly: a result not intended by the lawmakers, who only wanted expression of ideas to be protected. Thus the Court concluded that, *prima facie*, the copyright claim of the plaintiff cannot be granted.

The Court then examined the contention of the defendant that copyright is not available due to provision of Section 15 of the Copyright Act and the provisions of the Designs Act.

The objective of copyright law is to protect original literary, dramatic, musical and artistic works, cinematograph films, sound recordings, broadcasting rights and/or performers' rights. The object of design law is protection of features of shape, configuration, orientation or composition of lines or colours applied to any article whether in two dimensional or in three dimensional or in both forms by industrial process or means, whether manual, mechanical or chemical, separate or combined which in the finished stage appeal to and are judged solely by the eye, but does not include any trademark or property mark or artistic work. The copyright to design is defined in Section 2(c) of the Designs Act, to mean exclusive right to apply a design to any article in any class in which design is registered.

Section 14 of the Copyright Act defines copyright to mean an exclusive right to authorize the doing of any of the acts as prescribed therein. Section 15 of the Copyright Act precludes the subsistence of copyright in the design which is registered or is capable of being registered as a design under the Designs Act, 1911.

Section 47(2)(c) of the Designs Act, 2000 enables the Central Government, for the purposes of classification of articles (to facilitate registration under Section 6 of the Designs Act, 2000) to frame rules. Pursuant to this, the Designs Rules, 2001 were framed: Rule 10 prescribes that classification, for the purposes of registration of various articles shall be according to the Third Schedule (to the Rules). The third schedule, by Class 21, Entry 21-01 deals with 'games and toys' and by Entry 21-03, deals with 'other amusement and entertainment articles'. These entries, the Court noted, *prima facie*, cover all games and amusement articles as well as toys. Designs in respect
of various articles of games and other amusement articles, including game boards, therefore, can, \textit{prima facie}, be registered.

Section 15 of the Copyright Act mandates that copyright subsists under the Copyright Act in any design, which is registered under the Designs Act, 1911 and in respect of designs capable of registration under the Designs Act, 1911, the copyright shall cease as long as any article to which the design has been applied has been reproduced more than 50 times by an industrial process by the owner of the copyright or his licensee. The Court noted that it was undisputed that reproduction of the multicoloured game board has occurred more than 50 times, as also the alphabetical tiles. It is not also in dispute that there is no registration which has taken place under the Designs Act, 1911 (or under the Designs Act, 2000). In these circumstances, the defendants' objection that copyright cannot be claimed was found to be having merit, \textit{prima facie}. For this reason too, the Court held that the plaintiffs' copyright claims cannot be granted.

\textbf{Trademark Claim}

The object of trademark law is to prevent an injury to the goodwill and reputation of the enterprise which owns the trademark; as well as ensuring that consumers are not misled as to the product, services or their sources. Marks help buyers to identify their source, and assure them of the constancy of quality from a particular producer. The essence of trademark has always been that it is a badge of origin. It indicates trade source: a connection in the course of trade between the goods and the proprietor of the mark. Trademarks are thus, a valuable medium of advertisement, vital for marketing of products. If the consumers understand the trademark in the context of its source, the manufacturer is inseparably associated with it.

The Court noted that the drawback here could be that trademarks could be potentially misused if they serve to limit competition in the manufacture and sales of a product. The genericness doctrine in trademark law is a method evolved to inhibit anti-competitive use of trademarks. In anti-monopoly, the genericness doctrine was described as follows: at its simplest, the doctrine states that when a trademark primarily denotes a product, not the product's producer, the trademark is lost. The courts have held in such cases that one competitor will not be permitted to impoverish the language of commerce by preventing his fellows from fairly describing their own goods.

Each time courts are confronted with the issue of determining whether general words used as marks are source specific, the nature of the product, the degree of resemblance it bears with the word mark, the length of time used, are guiding, though not the only factors to be considered. Though courts would be slow in conferring a monopoly over common words, yet if a mark is shown to conjure up strong associations with the product or services, there should be no hesitation in affording protection. In this case, the Court observed that the defendant's contention about genericness of the word mark SCRABBLE is not entirely without any basis.

The dictionary meaning shows that SCRABBLE is not \textit{per se} descriptive of the word game, unlike, say MONOPOLY or CROSSWORD, which are close to the genus. No doubt, its extensive use and popularity has resulted in the word being used to describe the game. But that was precisely what the plaintiffs contended, in support of their argument about distinctiveness of the mark. In evaluation of these competing claims, the Court cannot be unmindful of the fact that language is an evolving and organic system, which assimilates all kinds of usage, customs and convenient description of objects, processes, systems, places and persons. The journey begun by a word with one meaning might well end up with an entirely different one, the original meaning obscured in course of time. Etymological adventurism by the Court should not lead to loss of distinctiveness of a mark which is part of the popular lore. The plaintiffs have shown that SCRABBLE, according to the Oxford Dictionary is a proprietary word game. They have also produced other supporting evidence of its extensive use, as word mark for the game. The plaintiffs undeniable hold the registration in respect of the mark in India. They claim of sales of the game in India to the extent of Rs 13 crores, and their averred to have spent Rs 51 lakhs in advertisement. These facts, \textit{prima facie} entitles it to protection, the Court held. The denial, of interim injunction at this stage would result in irreparable injury, and the danger of genericness of the mark, with consequent loss of distinctiveness, according to the Court.

The Court held that the defendants' mark, SCRABULOUS is too close, phonetically and semantically to the plaintiff's mark, to be an original inventive term. They have not furnished any explanation, why they hit upon this term, for a word game. Besides, the hyperlinks, which they provide in their websites, to the plaintiffs' websites, evidences
that SCRABBLE inspired them to coin their mark. Indeed, the tenor and nature of their argument was that SCRABBLE is generic, incapable of protection, and their variant SCRABULOUS thus cannot be enjoined. Besides, the material produced by the plaintiffs, in the form of users' comments, culled out from various 'blog' archived articles, as well as from 'Facebook' and the defendants' 'Scrabulous Wall' reveal that the users played the game scrabulous, on the basis of web search for online scrabble. All these, the Court held are prima facie proof of deceptive similarity and confusion amounting to infringement.

The Court held that unless appropriately enjoined, from continuing to use SCRABULOUS or any other trademark deceptively or confusingly similar to the plaintiffs', the defendants would continue the acts of infringement of the trademark, and divert Internet traffic to their websites, causing considerable commercial loss to the plaintiffs. The balance of convenience too lies in favour of the plaintiffs for grant of temporary injunction, because, the defendants have not shown how their use is bona fide, or how they would be prejudiced. On the other hand, the denial of relief would cause harm and injury to the plaintiffs.

In view of the above, the Court restrained the defendants, their partners, agents, or any business associates, etc, from infringing the plaintiffs' registered trademark, SCRABBLE; they shall not use the name SCRABULOUS, or any other mark deceptively or confusingly similar to SCRABBLE, in any manner, including by using it as part of domain name, or other use such as hyperlinking, metatagging, advertisement, or any other such form of use.

Comments
This case evidences the interface of copyright and design law and application of the rarely used Section 15 of the Copyright Act. The readers may note that the Section 15 still uses the term Designs Act 1911. In the year 2000, this Act was repealed and new Designs Act was passed by Parliament, now called Designs Act, 2000. There was no subsequent or consequential amendment to Copyright Act, 1957. A very strict reading of the Section would have rendered it meaningless. The Court has read the provisions constructively. However, an amendment is required in the copyright law to correct such errors.

This case also evidences the importance of trademark registration. But for such registration the mark would have been open to sharper attack.

Copyright
How Original is Original? Guidebooks v Textbooks
In Chancellor Masters and Scholars of University of Oxford v Narendra Publishing House and Ors 2008 (38) PTC 385 (Del) involved the classical tussle between publishers of text books and what is popularly called as 'guidebooks'.

The book in issue is the textbook for students of Class XI, following the course structure published by Jammu & Kashmir State Board of School Education (the Board), Oxford Mathematics Part A and Oxford Mathematics Part B, hereinafter referred as textbooks. The plaintiff published it in collaboration with the Board. The copyright in the books vested with the plaintiff. The plaintiffs averred that the exercises and their scheme, the answers, placement of topics in the textbooks are unique to the plaintiff and are as a result of years of research, practice, hard work and as per the standards followed by reputed institutions the world over. Every unit in a chapter was so arranged that it is integral and complementary to others. The contents of the textbook involved application of substantial skill, labour and judgement and investment of time and money. The key features of the textbooks were that they have been designed to enable the learner to develop a thorough understanding of basic mathematical principles and processes. Graded solved examples were inserted to develop problem solving skills. Short exercise drills were interspersed within a chapter after each major topic. Model test papers were provided at the end of the book to provide students a real feel of examination. All these, the plaintiff claimed, made the textbook an original literary work within the meaning of Copyright Act, 1957.

The defendants have published two guidebooks titled ‘Teach Yourself Mathematics (fully solved) Part A’ and ‘Teach Yourself Mathematics (fully solved) Part B’. According to plaintiff, the books have violated their copyright by slavishly reproducing the questions in the textbooks. The questions, their arrangement and sequences were identical to the plaintiff’s books. It was claimed that the defendant’s books have not only hampered the sale of the books of the plaintiffs but has seriously compromised the interests of the students as well. The questions form a valuable and central part of the work, and their substantial copying by the defendants amount to violation of plaintiff's copyright.

The plaintiffs argued that the questions, their arrangement and their selection should be considered
original literary work. The fact that their questions were not copied and emanated from the author is sufficient enough for grant of copyright protection. They relied on Syndicate Press of the University of Cambridge v B D Bhandari 2005 (31) PTC 58 (Del), to assert that defence of fair use under Section 52 cannot be extended to cases where there is verbatim copy of questions and the answer key. Further it was pleaded that the guidebooks cannot be regarded as reviews and criticism of original work.

The defendants contended that theirs is one of fair use. They averred that the preparation of a guidebook which independently contains the working of every mathematical problem and steps for solving them cannot be termed as an infringement of the textbook. The plaintiff's textbook does not have step by step working of various sums at the end of the chapter. The books were published to help students. It was also averred that the defendants have not copied the contents of each lesson or chapter. All students are well aware that the defendants' publications are guidebooks whereas plaintiff's publications are textbooks.

The defendants contended that they have not copied the plaintiff’s books verbatim/completely, and therefore, the defendants’ actions do not amount to infringement within Section 14(a) of the Copyright Act. The defendants contended that their books would not amount to adaptation under Section 2(a), and therefore cannot be violative of Section 14(a)(vi). They argued that the use by defendants of the plaintiff's questions amount to fair use under Section 52(1)(a) (review) and 52(1)(h) (reproduction of literary work as part of answers to questions) of the Act, assuming, arguendo, that there is copyright infringement. The defendants argued that the plaintiff’s books are based on Board's syllabi which prescribed plaintiff’s textbooks as exclusive textbooks. It was argued that once a book is declared as a part of syllabus, then students are free to use the questions in it in any manner and therefore guidebooks that help students solve these questions will also be covered under fair use exception.

The Court noted that two primary issues relating to copyright need to be gone into. First, whether that part of the work which the defendants have reproduced prima facie merits the copyright protection. Secondly, if it does, have the defendants sufficiently made out fair dealing or fair use defence. The discussion of the Court is summarized as below:

The Idea Expression Dichotomy and the Doctrine of Merger

A foundational element of copyright law is that it does not grant protection on ideas and facts. Only creative expression of such ideas and facts are protected by law by conferring a privilege to exclusively exploit such expression for a limited period of time. Law does not protect every such expression. The law protects such expressions that are fixed in a medium and are original. A literary work, in order to qualify for protection, has to be original as per Section 13 of the Copyright Act. The meaning of 'originality' has undergone paradigm shift from the days of 'sweat of the brow doctrine' enunciated in University of London Press v University Tutorial Press (1916) 2 Ch 601 to the 'modicum of creativity standard' in Feist Publication Inc v Rural Telephone Service 199 US 340 (1991). The Supreme Court of India has recognized this shift in Eastern Book Company v D B Madok (2008) 1 SCC 1 rejecting the sweat of the brow doctrine (which conferred copyright on works merely because time, energy, skill and labour was expended), and held that work must be original by virtue of selection, coordination and arrangement of pre-existing data contained in the work, a work that has somewhat become different is produced by the author. The Supreme Court noted that these two propositions, 'sweat of the brow' and 'modicum of creativity' were extreme positions. It preferred a higher degree of threshold than seat of the brow but not as much as modicum of creativity. Thus our law recognizes that every effort or industry, or expending of skill does not result in copyright work, but only creates works that are somewhat different in character, involve some intellectual effort, and involve certain degree of creativity.

Another principle of copyright law involved in this case is ‘doctrine of merger’. This doctrine posits that where the idea and expression are intrinsically connected and where expression is indistinguishable from idea, copyright protection is not available. Applying this doctrine, courts have refused to protect the expression of an idea that can be expressed only in one manner, or in a very restricted manner, because doing so would confer monopoly right on the idea itself. The Court observed that the decision in Herbert Rosenthal Jewellery Corporation v Kalpakian, 446 F. 2D 738 (1971) is illustrative. In that case, the plaintiffs sued the defendants asking them to refrain from manufacturing bee shaped jewel pins. The Court held that jewel shaped bee pin was an idea that
anyone was free to copy, the expression of which could be possible only in a few ways, therefore no copyright could subsist on it.

In the present case, the plaintiff's case concerns mathematical questions and answers. Besides asserting the effort put in by an author and the effort in arranging such questions at appropriate stages, chapters or units in the textbooks, the Court held that the plaintiff could not show how such effort is original to conform to the minimum degree of creativity mandated by Indian law, post Eastern Book Company.

Mathematical questions are expression of laws of nature. The discovery of such laws cannot confer monopoly to those who describe it. The reason is that language is a limited medium, which enables description of such laws of nature in only a few ways. The Court held that the recognition of copyright as inherent in the questions themselves (as the plaintiff suggested the Court to do) without existence of the creative element of ‘originality’ would deny access to ideas, thus robbing one of primary objective of copyright law – promotion of creativity- of its vitality, thereby stifling intellectual growth.

**Fair Use Defence**

The Court observed that the doctrine of fair use is an integral part of copyright law. It permits reproduction of copyrighted work or use of it, in a manner, which, but for the exception carved out would have amounted to infringement of copyright. Copyright law is premised on the promotion of creativity through sufficient protection. On the other hand various exemptions and doctrines in copyright law, whether statutorily embedded or judicially innovated, recognizes equally compelling need to promote creative activity and ensure that the privileges granted by copyright do not stifle dissemination of information.

Doctrine of fair use legitimizes reproduction of a copyright work. Coupled with limited copyright term, it guarantees not only a public pool of ideas and information, but also a vibrant public domain in expression, from which an individual can draw as well as replenish. Fair use provisions must be interpreted to strike a balance between the exclusive rights granted to the copyright holder, and the competing interest of enriching the public domain. Section 52 therefore cannot be interpreted to stifle creativity, and at the same time must discourage blatant plagiarism. It, therefore, must receive a liberal construction in harmony with the objectives of copyright law. Section 52 of the Act only details the broad heads, use under which do not amount to infringement. Resort, must, therefore be made to the principles enunciated by Courts to identify fair use.

The Court referred to the four factor tests used by American Courts. Of the four factor tests, the crucial test is the transformative character of the use. The Courts should in cases like the present ask whether the purpose served by the subsequent and allegedly infringing work is substantially different from the purpose served by the prior work. The subsequent work must be different in character, it must not be a mere substitute, in that, it is not sufficient that only superficial changes are made, the basic character remaining the same to be called transformative. This determination according to the Court is closely connected to the other three factors, and therefore central to the determination of fair use. If the work is transformative, it does not matter that the copying is whole or substantial. If it is transformative, it may not act as a market substitute and hence will not affect the market share of the prior work.

The Court considered the plaintiff’s textbook and the defendants work and arrived at the following findings:

(a) the plaintiff’s textbooks so far as the theory portions are concerned have not been copied;
(b) the plaintiff’s books do not contain the steps, or process aiding the solutions (or answers) to questions, problems, in each chapter. Based on the text and the theory, the learner is expected to apply his mind and solve such problems;
(c) the defendant’s work does not contain text and theory portions, analysing the problems;
(d) the defendant’s work contains the questions as well as answers, which are found in the plaintiff's textbooks;
(e) the defendant’s provide the problem solving step by step method to arrive at answers to the questions.

The Court held that the purpose and manner of use of the questions found in the plaintiff’s textbook and defendant’s work is different. Additionally their work contains the steps or process of problem solving absent in plaintiff's work. The defendant’s work can be said to be transformative amounting to review under Section 52(1)(a)(ii) of the Act. Here the Court held that the term ‘review’ has to be interpreted in the context. The Court referred to the definition of review in Shorter Oxford Dictionary which gives the meaning, ‘view, inspect, or examine a second time or again...’ The Court held that in the context of a
mathematical work, a review could involve a re-examination, or a treatise on the subject. In that sense the defendant’s revisiting the questions, and assisting the students to solve them, by providing the step by step reasoning *prima facie* amounts to review, thus falling under the fair dealing provisions of Section 52(1)(a)(ii).

**Comments**

Students may note from the findings of the Court that standard of originality in India is different from that of US and UK. The contours of this standard are still not clear and it has to be looked forward to further interpretations in specific situations for such matters.

Rarely are received decisions on copyright law which interpret the fair use provisions contained in Section 52 of the Copyright Act. This decision has not only dealt with fair use defence, but has also dealt with the principles of idea expression dichotomy and the doctrine of merger to deal with the issue at hand.

**Assignments**

In *Jaypee Brothers Medical Publishers (P) Ltd v Dr Ramya Raghu & Ors* (2008) 38 PTC 212 (Del), the Court was called upon to decide on the ownership of copyright and the validity of an assignment agreement between a prospective author and the prospective publisher. Based on an agreement signed by the author, the plaintiff publisher pleaded that copyright in the book was assigned to it even before the book came into existence. The plaintiff sought restraint against defendants selling, distributing or in any manner exploiting a book published through another publisher.

The plaintiff is engaged in the business of publication, distribution and sale of medical books. The plaintiff claimed that it encourages authors and for this purpose it identifies potential authors and then arranges meetings with potential authors by holding authors meet. In such meetings the proposed books are discussed and thereafter the prospective authors and the plaintiff enter into agreements of future assignment of copyright in consideration of the plaintiff’s commitment to produce and publish books at its own risk and to pay the author suitable royalty of 10% of the printed price as per the norms of the publishing industry. The defendant no. 1 is the Professor and Head, Conservative Dentistry and Endodontics at the Bangalore Institute of Dental Sciences at Bangalore. He was one of the invitees of the author meet organized by the plaintiff. He attended the meet and executed an agreement. This was sent to Delhi and the plaintiff accepted the agreement by signing it at Delhi.

The operative part of the agreement reads as follows: The authors (agree to deliver) complete typed script of the books with diagrams, pictures, transparencies, maps, etc, at present titled 'Art & Science of Operative Dentistry' within 365 days of this Agreement .... The copyright of this work vests with the author and the author willingly assigns the right to publish the work to the publishers, and to reassign the rights of co-publishing, translation, adaptations, as may be considered necessary by the publishers'.

Prior to signing of the agreement, the plaintiff had made the defendant sign the 'Manuscript Information Questionnaire' at the authors meet. In this questionnaire, the defendant mentioned that the book was meant to be an undergraduate reference book and that it will require revision for subsequent editions within three to five years. The Court noted that the agreement as well as the questionnaire were standard form contracts got prepared by the plaintiff with blanks whereof had to be filled in by the defendant.

Section 18 of the Copyright Act 1957 provides that the owner of copyright in an existing work or the prospective owner of copyright in a future work may assign to any person the copyright either wholly or partially and either generally or subject to limitations. The proviso thereto states that in case of assignment of copyright in any future work, the assignment shall take effect only when the work comes into existence. Section 18(2) provides that the assignee of copyright is to be treated as the owner of copyright. Section 2(j) of the Act defines an exclusive license as a license which confers on the licensee including the owner of copyright any right comprised in a copyright in a work. Publication is a right comprised in the copyright of the work. The question before the Court was therefore, on the basis of the agreement aforesaid, was there an assignment of copyright in a future work which has come into effect upon the book coming into existence (if it is the same book) or the plaintiff had merely agreed to give the right of publishing the book to defendant.

The Court observed that on this aspect, besides the language of the agreement, the manner in which the plaintiff has described the agreement to have come into existence has a bearing. The invitation card issued by the plaintiff for the meet aforesaid described
the meeting as Publisher Meet 2007. The questionnaire which was needed to be filled up after the meet does not give any inclination of the proposed relationship between the plaintiff and the defendant as anything other than that between an author and a publisher. Though the defendant no. 1 did describe her proposed work as a multi author work with 3-4 persons contributing the same, no enquiry were made with the said contributors, nor were they required to be signatories of the agreement. No discussions or negotiations were held between the parties.

The Court held that, prima facie, it appeared that the defendant present at the meet having evinced interest to author a book was made to fill up a questionnaire and was made to fill up a printed form agreement. The clauses of this standard form agreement have to be interpreted in this light. The plaintiff was described as a publisher. There was no prior relationship between the plaintiff and the defendant author. The defendant appears to have taken the plaintiff as merely a publisher of her proposed book and nothing indicates that the defendant intended to assign copyright in her work to the plaintiff. For an author, copyright is of immense value, monetarily or otherwise and without the author being made aware that the agreement which the author is signing would divest the author of copyright itself, thereby leaving no rights whatsoever with the author, prima facie, it is difficult to believe that the agreement between the parties can be construed as an agreement of assignment. Had the agreement described the plaintiff as an assignee it could still have been argued that it was made abundantly clear to the defendant that it was an assignment of copyright, which was the subject matter of the agreement. The counsel for the defendant has shown other publications of the plaintiff where the copyright is shown to be vesting with the author.

The Court also noted that even the language of the agreement did not support the case of the plaintiff of assignment of copyright. Clause 2(a) of the agreement referred to the plaintiff having the exclusive right of producing the book during the legal term of copyright. Clause 2(b) operated as assignment by the author of the right to publish the work and to reassign the rights of publication, translation, and adaptation as may be considered necessary by the publisher. Clause 2(c) of the agreement had a covenant that the author shall not assign the copyright to anyone else without the written permission of the publisher. The Court held that if this agreement was indeed meant to be an assignment this clause would not have been required as the author would not have been left with the copyright.

The Court held that since the agreement is not an assignment even if the book which has come into existence is the same book with respect to which the agreement was entered into, the plaintiff would not have any right as the assignee of copyright to assign the copyright to anyone else. Another important aspect the Court noted was that while the book was to be co authored by 3-4 others, the plaintiff did not deem it necessary to have the agreement signed from other co-authors also. There could be no assignment of copyright without all co-authors assigning the right. An assignment of copyright is valid only if it is in writing signed by an assignor. This is a strong indicator that the plaintiff at the time of execution of the agreement merely intended to get publishing rights.

The Court concluded that the agreement between parties not to be an assignment of copyright. The Court vacated an exparte order of injunction that was in operation against publishing of the works for the past one and a half years. The Court noted that the life of the book is about 3-5 years. If the injunction is continued, the effort taken in authoring the book would have been rendered useless, considering the normal time taken in disposal of such suits.

Comments

Once again a reminder on how valuable copyright is for an author. The authors who enter into agreements prematurely with publishers are likely to get into the difficulties which this case pointed out. The Court has treated the agreement as standard form agreement without assigning much value to it which of course is a relief to authors. But, it should be noted that there were other facts that the assignment was a future one and that co authors had not been included in the agreement did not favour the publisher.

Patents

Even on Banana Leaves

The description of plaintiffs and defendants in Mariappan v A R Safiullah & Ors, 2008 (38) PTC 341 (Mad) (DB) shows that patents have gained popularity in India, and it is not limited to big enterprises or confined to big cities.
One A R Safiullah, sole proprietor of the trading concern S A Saifulah & Company having office at Chennai as well as Pudukottai, instituted a suit against Daniel, proprietor of M/s Jayam Traders, the first defendant, M/s Jayam Industries represented by its partner, Indira Daniel, second defendant, M A Rajapudeen, proprietor of M/s Shalimar Traders, and Mariappan trading as M/s Sivagami agencies, Sivakasi, the fourth defendant, praying for a judgement and decree for a permanent injunction restraining the defendants from infringing the plaintiff’s registered Indian Pat No 198079, in respect of ‘food grade laminated paper, method and apparatus for manufacturing the laminated paper’; and restraining the defendants from any manner passing off food grade paper banana leaves made of such food grade laminated paper by using deceptively same colour scheme, get up and layout. In addition, the plaintiff is the registered proprietor of the design of banana leaf and sought injunction against passing off. The Single Bench did not grant injunction in patent case, but granted an injunction for infringement of registered design. The sum and substance of the petition before the Division Bench challenging the order of Single Bench is as below:

The plaintiff is the holder of the patent for ‘food grade laminated paper, method and apparatus for manufacture’ in Indian Pat No 198079 granted with effect from 29 October 2000 and the registered design under the Designs Act. The plaintiff had been manufacturing and selling food grade laminated paper resembling a banana leaf since August 2000. The Court granted ad interim exparte injunction restraining the defendants from infringing the patents.

The defendants submitted the following:
(i) the patent granted is not valid and no prima facie case has been made out in his favour.
(ii) the invention which is subject matter of patent is not novel and patentable. As per the patent certificate, the patent is for food grade laminated paper and it is not for a banana leaf. The patent granted according to them is only a process patent and not for the product of artificial banana leaf. The process of manufacture of food grade laminated paper is well known in India for several decades and there is no novelty in the invention claimed.
(iii) the design of banana leaf cannot be termed to be intellectual property of the plaintiff as it is a product of nature and no person can hold proprietary right over such a shape or even claim that he designed banana leaf as already plastic, steel and even ceramic plates have been made in the shape of banana leaf for the past several years.
(iv) the plaintiff has merely copied prior art; the defendants pointed out that the patent application has been verbatim copied from US and UK patents on the methodology of laminated plastic. There are at least five major patents in US and UK on lamination process and no invention or novelty is involved in the manufacture of artificial banana leaf.
(v) the design of banana leaf registered in favour of the plaintiff is not a valid one: there is nothing new or original in the design of banana leaf as banana leaf is nature’s creation. The design of banana leaf on plates for consuming food is well known as such plates have been made out of glass, ceramic, silver and steel for decades. Therefore, grant of patent is against the law.
(vi) the validity of the patent is in question and so no injunction can be granted. The defendants relied on Section 13(4) of the Patents Act, 1970, as per which examination and investigations required under Section 12 and 13 shall not be deemed to warrant validity of the patent and no liability shall be incurred by the Central Government or any officer thereof by reason of, or in connection with any examination or investigation or any report or other proceedings thereon. Therefore according to them the grant of a patent does not ensure its validity. The relied on M/s Biswanath Prasad Radhey Shyam v M/s Hindustan Metal Industries in AIR 1982 SC 1444.
(vii) the suit filed is only confined to Patent Act and the relief of passing off cannot be claimed.

Though the plaintiff claimed that his patent is a product patent as well as a process patent, the Court found that the patent is only a process patent. The art of making laminated food grade paper is well known in India as well as other parts of the world and therefore, Court came to the prima facie conclusion that no invention is involved. But, the Court came to the conclusion that innovation in the form of making banana leaf with artificial structure, food grade quality and artificial scented smell could be termed innovation. The Court stated that some amount of novelty also could be involved.

The Court discussed some basic patent law concepts in detail. As per Section 2(j) of the Patents Act, 1970, ‘invention’, means a new product or process involving an inventive step and capable of
industrial application. 'Inventive step' is defined in Section 2(ja) to mean a feature of an invention that involves technical advance as compared to the existing knowledge or having economic significance or both and that makes the invention obvious to a person skilled in the art. A patent must have characteristics of novelty, non-obviousness and enablement. Enablement is the concept of putting novelty into action. All the three has to be consecutively present to have a valid patent.

Section 48 of the Patents Act, 1970 protects the rights of the patentee. The patent granted to the applicant is a process patent. Section 48 grants the patentee exclusive right to prevent third parties who do not have his consent from the Act of using the product or from the Act of using, offering for sale, selling or importing, offering for sale, selling or importing for these purposes, the product obtained directly by that process in India. As per the current Section 48 of the Patents Act, 1970, as amended on 20 May 2003, while deciding about the prima facie case of the applicant even though no presumption of validity of patent can be drawn, the patent obtained after amendment carries more significance. The patent obtained after amendment can be given more weight while deciding the prima facie case about the validity of the patent. However the onus of proving the prima facie case and the infringement of patent is on the plaintiff.

The application for patent was filed on 29 August 2000 and pat no 198079 was granted on 20 January 2006 with effect from 29 August 2000. The Court noted that there is a patent, valid prima facie as on date in favour of the applicant. Of course it is subject to pre and post grant objections that has been filed by the defendants. The plaintiff had prior to the issue of patent got his design of artificial laminated banana paper registered under Designs Act. The plaintiff had obtained injunction against infringers.

The Court held that the protection of artificial banana leaf appeared, prima facie, not an invention, but can be termed only as an innovation. In terms of Section 13(4) of the Patents Act, the grant of patent itself cannot be deemed prima facie case on the side of the patentee and it is the duty of the patentee to prove prima facie case. Since application of opposition of grant of patent is pending for adjudication, the Court is of the view that the concept of artificial banana leaf is innovative only. It can only be termed as an innovation and not an invention. The Court refused to interfere with the Order of Single Bench refusing grant of injunction.

As regards to the contention raised by the defendants that the plaintiff is not entitled to common law right in patent cases, to invoke the power of injunction under Order 39, Rules 1 and 2 of CPC, the Court held Section 108 of the Patents Act entitles the plaintiff to maintain the suit that the application is maintainable. It relied on the precedent of Tanusree Basu and Ors v Ishani Prasad Basu & Ors (2008) 4 MLJ 252(SC) where the grant of ad interim injunction against the co owner came up for consideration. Though there were various decisions to the effect that the co owner cannot claim an order of injunction against any co owner with regard to the property owned jointly, in view of the facts of that case, it was held that Order 39 Rule 1 of CPC is not the sole repository of the power of the Court to grant injunction and that Section 151 of the Code confers the power on the Court to grant injunction if the matter is not covered by Rules 1&2 of Order 39 of the Code. Applying this rule, the Court held that in the instant case, the Court may invoke Section 151 of the CPC and grant an order of interim injunction.

While the Court did not find fault for the plaintiff so far as the claim under patent law is concerned, the Court sustained the interim order granted by the Single Bench regarding its claim under Designs Act.

Comments

For the students of law, the arguments of the counsels would provide insights into the patent law as they have relied extensively on the decided Indian cases.

The courts discussion that there may not be an invention but there is innovation, seems circuitous. The Court has not discussed what it meant by introducing this new line of argument. It may be noted that this is one of the basis of rejecting the plea for injunction. From a pure patent theory point of view, one would have expected a finding as to why an innovation is not an invention as defined in the patent law. Though the law is dealt with, a clear finding is found wanting in the decision.

The plaintiffs had clubbed both patents and designs law to seek protection. This strategy seemed to have worked as though the Court rejected the patent claim, it found for the plaintiffs on designs. This shows the strength of multi pronged protection approach in IP cases.