July 2022





Round-up of Developments in Intellectual Property – April 2022 to June 2022

Patent rule relaxations on COVID 19 Vaccines: Takeaway from the WTO's 12th Ministerial Conference

The World Trade Organisation held their 12th Ministerial Conference ("the Conference") from June 12, 2022 to June 17, 2022 at their headquarters in Geneva, Switzerland. The Conference was held to discuss the multi trade system among the member countries. In the light of the Agreement on Trade-Related Aspects of Intellectual Property Rights ("the TRIPS Agreement"), the conference concluded and agreed to relax patent rules ensuring the accessibility of COVID-19 vaccines across all member states.

For over a year, developing countries like India and South Africa sought a waiver on the use of COVID-19 vaccines and related treatments from developed countries. The major pharmaceutical producing countries opposed this waiver on multiple occasions. However, a provisional deal was entered into between USA, Europe, India and South Africa limited to the accessibility of vaccines only.

The Ministerial Decision on the TRIPS Agreement¹ dated June 22, 2022 has been materialized for the benefit of eligible members for a period of 5 years. That is to say, that eligible members will be able to authorize use of the 'subject matter' of a patent under Article 31 of the TRIPS Agreement (which includes ingredients and processes necessary for the manufacture of COVID 19 vaccines), without the consent of the right holder by way of emergency decrees, executive orders, judicial orders and administrative orders, irrespective of whether the member country holds a compulsory license regime.

In order to authorize such use of the subject matter, the member countries agreed upon the following:

- The requirement under Article 31(b) of the TRIPS Agreement has been eased. The member countries do not require the proposed user of the subject matter of the patent to seek authorization from the right holder.
- It is the member countries discretion to waive Article 31(f), wherein it is held that an authorization shall be sought to use and supply the patent predominantly in the domestic market. It may further allow the export to other members regionally or internationally ensuring the accessibility of the members to the COVID 19 vaccines.
- All eligible members shall prevent and take measures to prevent the re-exportation of the products manufactured under the authorization. Sufficient legal measures shall also be adopted to ensure there are no inconsistencies in the importation and sale of the products. The exception here is that the eligible members may re-export for humanitarian and non-profitable purposes.
- Article 31(h) provides for a suitable remuneration to the right holder taking

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1 The Ministerial Decision on the TRIPS Agreement adopted on June 17, 2022; Notification Titled WT/MIN(22)/30 WT/L/14 dated June 22, 2022; asa available on the WTO official website at the weblink https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/WT/MIN22/30.pdf&Open=True



into account the economic authorization. The eligible member must ensure adequate remuneration is provided in case of humanitarian and non-profit purposes specific to the distribution of vaccines, to support manufacturers to further supply these vaccines at affordable prices.

The TRIPS Council shall be informed of any authorization granted by the eligible members for the sake of transparency. The provisions mentioned above are applicable for a period of 5 years from the date of the decision and member countries have 6 months to decide whether the scope of this decision covers supply of COVID 19 diagnostics and therapeutics as well.

Honest and concurrent use of trade mark cannot be a defence against infringement of trade mark

The Delhi High Court ("the Court") has held that 'honest and concurrent' use is not statutorily envisaged as a defence to infringement of a registered trade mark, by way of an order² restraining the use of a 'KEI' logo based on KEI Industries Limited's rights in the trade marks "KEI".

In the suit titled 'KEI Industries Limited v. Mr. Raman Kwatra & Anr.', KEI Industries Limited ("the Plaintiff"), sought protection of their statutory rights in the word mark "KEI" and their logo mark in blue, represented below – As per the Plaintiff, KEI stood for 'Krishna

Kei

Electrical Industries' and was adopted as a trade mark/trade name/corporate name since the commencement of its business in the year 1968. The word mark 'KEI' has been registered in favour of the Plaintiff since the year 1988 for wires and cables (electric and telecommunication). The logo mark was adopted by the Plaintiff in 2007.

Around September, 2017, the Plaintiff came across a trade mark application for a 'KEI' logo



under Application No. 3256918 in Class 7 filed by Mr. Raman Kwatra. The 'KEI' logo filed by Mr. Kwatra is reproduced below –

In addition to lodging opposition proceedings against the trade mark application, the Plaintiff also addressed a cease and desist notice to Mr. Kwatra asking it to give up use of the impugned trade mark and withdraw its application for registration. The lawsuit was filed as Mr. Kwatra rebutted the Plaintiff's claims and refused to comply with their demands.

Mr. Kwatra claimed that the word mark 'KEI' had been adopted in 1966 by his father. It was further averred that he is the honest and concurrent user of the marks 'KEI' and the 'KEI' logo over a continuous period of time.

Based on the facts of the matter, the Court held that Mr. Kwatra's manner of use of the contested marks is neither honest nor concurrent. The Court agreed with the submissions of the Plaintiff that honest and concurrent use was never envisaged as a defence to infringement of a trade mark.

The Court held that honest and concurrent use only enables the Registrar of Trade Marks to permit registration of a mark which is identical or similar to an existing mark in respect of same or similar goods.

As a result, an interlocutory injunction was granted against Mr. Kwatra restraining him from using the infringing mark in relation to any electrical goods or instruments, including electrical fans, room coolers, geysers, electric heating apparatus etc. or any goods allied or similar to the same.

Court sets aside Registrar's order refusing acceptance to a trade mark containing the map of India

In an appeal challenging the decision of a review petition before Trade Marks Registry, the Delhi High Court ("the Court") held that usage of the map of India in a trade mark is not prohibited under by Emblems and Names (Prevention of Improper Use) Act, 1950.

2 Order dated May 17, 2022 in CS(COMM) 9/2021 & I.A. 287/2021, IA. 290/2021, I.A.287/2021, I.A.290/2021, I.A.15933/2021, I.A.15934/2021

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The trade mark application under no. 1522447 in Class 17, was filed by Jindal Industries Private Limited ("the Appellant") claiming use since April 1, 2006. The said mark contained a backdrop of the map of India with the name 'JINDAL' written across, and has been reproduced below –



However, objections to the registrability of the trade mark application were raised by the Trade Marks Registry under Sections 9(1)(a), 9(1)(b), 9(1)(c), 9(2), 9(3) and 11(1) of the Trade Marks Act, 1999.

The Trade Marks Registry stated that the objected mark comprises of a surname and the map of India and is 'non-distinctive'. The trade mark application was deemed to be 'abandoned', due to lack of prosecution and non-appearance by the Appellant on the show-cause hearing before the Trade Marks Registry on December 5, 2016.

A review petition against the order dated December 5, 2016 was filed by the Appellant, stating that they had appeared before the Trade Marks Registry on the said date and requested for an adjournment, which had been accepted by the Registrar. The Appellant further stated that the order dated December 5, 2017 came as a surprise, and the mark had incorrectly been deemed as 'abandoned'.

Pronouncing its decision and disallowing the review petition, the Trade Marks Registry stated that under Section 9(2)(d) of the Trade Marks Act, 1999, use of the Appellant's mark is prohibited under the Emblems and Names (Prevention of Improper Use) Act, 1950, and thereby cannot be registered. The Appellant proceeded to file an appeal before the Court, challenging the order of the Trade Marks Registry³.

The Appellant submitted that the use of their mark has been permitted by the Survey of India and a letter documenting the permission dated February 8, 1994, was produced before the Court. The Appellant also relied upon acceptance of other trade mark applications containing the map of India which have accepted by the Trade Marks Registry. It was further stated that use of the map of India is not prohibited by the Emblems and Names (Prevention of Improper Use) Act, 1950.

The Court held that the usage of the map of India is not prohibited, and that use of the outline of India signifies that the product originated from India. It was held that such use by the Appellant is not violative of Section 9 of the Trade Marks Act, 1999 or the provisions of the Emblems and Names (Prevention of Improper Use) Act, 1950. Thus, the Trade Mark Registry's order refusing acceptance of the Appellant's trade mark application was overturned by the Court.

Delhi High Court restrains 'rogue' websites from infringement of trade mark and copyright vesting in 'AMAZON'.

The Delhi High Court ("the Court") granted relief to Amazon Seller Services Private Limited against multiple third party websites using the mark 'AMAZON' by way of an *ad interim* injunction.

Amazon Seller Services Private Limited ("the Plaintiff") sought to restrain multiple rogue websites from making use of its house trade mark 'AMAZON' and copyright vesting in its website and domain name. The Plaintiff is the owner and operator of the well- known online marketplace under the name and style of "www.amazon.in".

The suit was filed against one 'Amazonbuys.in' and others ("the Defendants") unauthorisedly using the trade mark 'AMAZON' word and logo and were offering fake registration services by charging fees for 'Amazon Seller Services', 'Amazon Easy Program' etc. In addition, the Defendants' websites and social media platforms had adopted a look and feel that was identical to the Plaintiff's website under the domain name 'amazon.in'. The Defendants were misrepresenting themselves as an 'Amazon Franchise' on third party websites, and it was alleged that they engaged in pre-planned conspiracy to defraud and dupe the public.

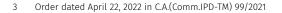
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Upon perusal of multiple documents placed on record including the home page of the Plaintiff's website; the websites of the Defendants; screenshots of the emails received from one of the complainants and proof of money deposited by the said complainant; registration form, legal notice issued by the complainant to the Plaintiff etc., the Court held that a prima facie case was made out in favour of the Plaintiff⁴. It was held that the activities of the Defendants were leading to a financial loss and damage to the unsuspecting members of the public. Accordingly, the Court directed the Defendants to refrain from using the Plaintiff's trade marks or any other deceptively similar mark, directly or indirectly,

and to refrain from using Plaintiff's copyrightprotected artistic works. By way of the order, the Court also directed the Defendants to suspend the infringing accounts, to freeze the bank accounts collecting money fraudulently, and block access to the infringing websites.

In addition thereto, the Court also directed both the Ministry of Department of Telecommunications and the Ministry of Electronics and Information Technology to issue notifications directing internet and telecom service providers to block access to the Defendants' domains as identified the suit⁵.

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⁴ Order dated May 26, 2022 in CS(Comm) 364/2022

⁵ Notification No. 813-07/LM-23/2022-DS-II dated June 2, 2022 issued by the Ministry of Communications, Department of Telecommunications available at the weblink <u>https://dot.gov.in/dataservices/amazon-seller-</u> services-pvt-ltd-and-anr-v-amazonbuysin-and-ors-honourable-delhi-high