

IP News at a glance!

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CASE LAW UPDATE

PATENTS

Monoclonal antibody patent for Nivolumab granted by IPO despite pre-grant oppositions

The Indian Patent Office (IPO) recently granted a patent after rejecting four pre-grant oppositions filed in a patent application covering human monoclonal antibodies ("Nivolumab") against cancer (*In re Patent Application No. 5057/CHENP/2007*). The decision is interesting in that it categorically differentiates the law of anticipation regarding admissions made by patent applicants post-filing of the application. Additionally, this decision also throws light on patentability of monoclonal recombinant antibodies under Section 3(c) of the Indian Patents Act ("the Act"), which precludes naturally occurring

substances, more so when there are hardly any precedents in this area. The applicants M/s Ono Pharmaceuticals co., Ltd., Japan & M/s. E.R. Squibb & Sons, L.L.C, U.S.A (collectively, "the Applicants") were faced with four pre-grant oppositions to their invention entitled, "*Human monoclonal antibodies to programmed death 1 (PD-1) and methods for treating cancer using anti-PD-1 antibodies alone or in combination with other immunotherapeutics*".

The four opponents were, Indian Pharmaceutical Alliance (No.1), Pankaj Kumar Singh (No. 2), Restech Pharmaceuticals (No. 3) and Dr. Reddy's laboratories limited (No. 4) (collectively, "the Opponents"). They used common grounds in their oppositions such as lack of novelty, obviousness/lack of inventive step, not patentable/not an invention, lack of sufficiency and clarity and failure to disclose information under Section 8 of the Act.

The key findings of the Controller in the matter are as follows:

a. Filing of rejoinder by an opponent during pre-grant opposition proceedings:

The Applicants argued that there is no specific provision in the Act permitting rejoinders from opponents in pre-grant proceedings. However, the Controller rejected this argument and took the rejoinder on record by holding that these proceedings are primarily to assist the Controller in granting good and valid patents.

b. Lack of Novelty:

The Opponents' primary arguments against novelty were based on the Applicants' admissions and statements before various foreign judicial/quasi-judicial authorities that one of the documents, EP 1537878 ("EP'878") discloses, teaches and enables Nivolumab and the process of making it.

However, the Controller agreed with the Applicants' arguments and held that their submissions before other fora regarding EP '878 do not anticipate the claims as these do not disclose the monoclonal antibody with the specific six CDR sequences as per claim 1. Further, it was held that inherent anticipation as argued by the Opponents to be arising from the Applicants' assertion in complaints filed before the US courts based on EP '878, cannot form a basis for proving lack of novelty.

c. Obviousness:

The Opponents had cited 36 prior art documents for arguing obviousness. It was argued that, with the combined teachings of this disclosure and the general technical knowledge (use of transgenic mice for generating antibodies with high binding affinity, etc.), a skilled person could easily develop the claimed human antibodies, thus rendering the claims obvious.

However, the Applicants argued that none of the cited documents or their combined teachings provides a reasonable expectation of success to a person of ordinary skill in the art (POSA) to arrive at the claimed antibody comprising the six CDRs of the 5C4 antibody.

The Controller agreed with the Applicants and held that while the cited prior art documents disclose antibody against the human PD-1 protein, there is no disclosure or teaching to achieve the claimed human antibody having six specific CDR sequences of 5C4 claimed in the patent application. As an extension of this, the Controller also held that there are no specific disclosures or teachings in any of the cited documents regarding generation of monoclonal

antibody against PD-1 protein with the specific six CDR sequences.

d. Non patentability under Section 3(c) in view of an antibody being a natural substance:

The Opponents further claimed that the subject matter limited to the six CDRs of the monoclonal antibody, namely, 5C4, is merely an isolated antibody generated as an immune response by transgenic mice.

The Applicants countered that not only did the Opponents fail to establish that the claimed PD-1 antibody containing the six CDR sequences are naturally-occurring, but also, none of the prior art documents cited by them disclosed such antibody or antigen-binding portion thereof. They asserted that the claimed antibodies specifically bind human PD-1, a naturally occurring protein in the human body which possibly would not naturally produce an antibody against a self-antigen, PD-1. Thus, a skilled artisan would certainly know that the said antibodies can only be created in an artificial system with human intervention.

The Controller held that the monoclonal antibody claimed in amended claim 1 has six CDRs having artificial sequences supported by the amended sequence listing. In view of the same, the Controller disagreed with the Opponents that the claimed antibody is naturally occurring. As a natural corollary, the process of its production or generation as claimed also becomes patentable.

e. Lack of sufficiency and clarity:

The Opponents had alleged that the specification of the patent application does not fully disclose the claimed human monoclonal antibody-Nivolumab and that the Applicants are wrongly asserting that 5C4 is not Nivolumab. Regarding the CDR sequences of the claimed antibody, it was alleged that the Applicants have not: (a) fully and particularly described the invention and its operation or use and the method by which it is to be performed; and (b)

disclosed the best method of performing the invention which is known to the Applicants and for which they are entitled to claim protection.

The Applicants argued that three claims of the present invention are not directed to Nivolumab alone and that Nivolumab is the commercial product covered by the invention.

The Controller agreed with the Applicants' arguments that the specification clearly and completely provides the sequences of the CDRs and the complete VH and VL sequences of the 5C4 antibody that is embodied in the specification supported by extensive data for the disclosed antibodies with the help of 54 Figures and 25 Examples.

Further, example 1 in the complete specification describes the production of human monoclonal antibodies against PD-1 using transgenic mice and hybridoma. Thus, the requirements of the provisions of Sec 10(4) (a) and (b) of the Act are met.

It will be interesting to see how this case holds up as a precedent for future cases pertaining to antibodies at the IPO.

Delhi High Court rejects Monsanto's petition against Competition Commission of India

In *Monsanto Holdings Pvt. Ltd. and Ors. v. Competition Commission of India and Ors.*, the Delhi High Court dismissed a petition filed by Monsanto Holdings Pvt. Ltd, Monsanto Co. and Mahyco Monsanto Biotech (India) Pvt. Ltd. (collectively, "the Petitioners") against an order of the Competition Commission of India ("CCI").

The Petitioners were aggrieved by the order of the CCI in the year 2015, wherein Nuziveedu Seeds Ltd., Prabhat Agri Biotech Ltd. and Pravardhan Seeds Pvt. Ltd. (collectively, "the Informants"), had filed information under Section 19(1)(a) of the Competition Act, 2002 before the CCI. The

Informants had alleged that the Petitioners had abused their dominant position in the market by imposing unfair conditions in sub-license agreements with the Informants. One such condition cited was that of notifying the Petitioners of any instance within 30 days of the affiliates of the Informants entering into negotiations with their competitors and destroying the parent germplasms (of their *Bt* Cotton) after termination of the agreement. They also alleged discrimination against the Informants with respect to the terms of the agreements by the Petitioners. The Informants further alleged that the Petitioners were in violation of Sections 3 and 4 of the Competition Act, 2002 which prohibit abuse of dominance of the position of the entity in the market.

Finding *prima facie* merit in the Informants' complaint, the CCI had held the Petitioners as being in a dominant position. The CCI had held that the sub- license agreements, entered on the pretext of protecting intellectual property (IP) rights of the Petitioners, were unreasonable. The order had further directed the Director General of the CCI to investigate into the activities of the Petitioners.

Aggrieved by this, the Petitioners challenged the CCI's order before the Delhi High Court. The Petitioners argued that the CCI did not have jurisdiction to evaluate cases where exercise of patent rights constitutes anti-competitive conduct.

On the contrary, it is the Controller of Patents who has jurisdiction in such matters in accordance with Section 140 of the Patents Act, 1970 which deals with such issues. The Petitioners contended that this was clear from the fact that this provision in the Patents Act was retained despite the enactment of the Competition Act in 2002. Hence, it was argued that, allowing various bodies like CCI to simultaneously evaluate such matters would prove counterproductive.

After hearing both the sides, the Delhi High Court dismissed the Petitioner's case and held that the CCI was well within its jurisdiction to evaluate the Informants' complaint under the Competition Act, 2002.

The Court refused to accept the contentions of the Petitioners in this regard by relying on *Ericsson v. CCI* as well Section 60 and 62 of the Competition Act, 2002 which give the Act an overriding effect on any other prevailing laws. The Court held that the Competition Act was in addition to the Patents Act, 1970 and not in derogation to it and hence could be construed harmoniously.

The Court also refused to entertain the Petitioners' contention that by virtue of Section 3(5) of the Competition Act, 2002, they have the right to enter into agreements to restrain infringement of their IP rights and that the term "reasonable" in the said provision was only limited to "other" conditions. The Court held that Section 3(5) of the Competition Act, 2002 would not act as a safe harbour provision in agreements which are anti-competitive in nature and could only enjoy protection if the terms were reasonable to protect the rights of the Petitioners.

The Court thus dismissed the petition and refused to interfere in the impugned order of the CCI.

TRADEMARKS

Delhi High Court: Uploaders of offending content are necessary parties in suits against intermediaries

The Delhi High Court in *Sasikala Pushpa v. Facebook India and Ors* was dealing with a plea of an Indian politician, Sasikala, for removal of certain offending photos posted on Facebook, Google and YouTube (collectively, "social media platforms"). The suit was filed by her against these social media platforms/intermediaries which showed her in the company of a man other than her husband, that too, from a rival political party. She alleged that the images

were morphed, forged, fabricated and hence defamatory. However, in the suit, she did not implead the persons who had allegedly morphed, forged, fabricated and uploaded these photographs on the social media platforms.

The Court pointed out that to succeed on a plea of morphing, forgery or fabrication of photos, the alleged forger / fabricator, must be a necessary party to the suit. Else, no finding of the photographs being morphed, forged and fabricated can be returned. The Court also observed that Sasikala cannot be permitted to fight a proxy battle against the social media platforms without impleading the person who has allegedly posted the impugned content on these platforms.

Sasikala argued that she could not implead the person in question as his/her identity was not known to her. However, the Court noted that it was always open for her to seek disclosure of the names of such persons from the social media platforms, which she did not do, though four years had passed since the institution of the suit. Accordingly, the Court held that Sasikala cannot fight a proxy battle against the social media platforms without impleading the person who posted the impugned content on these platforms. The suit was, therefore, held to be bad for non-joinder of the necessary parties.

The Court also observed that the plaintiff did not disclose, as to how the photos in question tarnished Sasikala's image. The argument that the image of the man in the photo along with her was not her husband and that he belonged to a rival political party was raised only at the hearing. The Court noted that this oral disclosure could not be replaced for a pleading and that her plea of defamation was vague. Dismissing the suit, the Court held that, even if this argument were to be considered, the photos in question could not be said to be violating Sasikala's privacy or to be defamatory.

Advertisement without acceptance is an exception and not the rule: Delhi High Court

In a constitutional writ (*Jai Bhagwan Gupta v Registrar of Trade Marks*) filed by a trademark applicant, Jai Bhagwan Gupta (Gupta), the Delhi High Court mandated that, under Section 20(1) of the Trade Marks Act, 1999 (“TM Act”), the Registrar of Trademarks (“RoT”) must advertise a mark before acceptance, only in limited, exceptional circumstances. The Court disapproved RoT’s practice of advertising almost all trademarks before acceptance as contrary to the provisions of the TM Act. The Court further mandated that whenever a trademark is advertised before acceptance, the Registrar is bound to issue an order giving reasons as to such advertisement.

Gupta is the registered proprietor of the trademark, “JEERA PUJARI” and other trademarks containing the word mark, “PUJARI” in class 30 in respect of cumin and fennel seeds. In local language, ‘Jeera’ means cumin and ‘Pujari’ means priest. It was Gupta’s contention that: (i) the RoT had been advertising marks containing the word “PUJARI” for identical goods in class 30 before acceptance; (ii) this placed an excessive burden on him to oppose such marks by expending money besides having to keep a constant watch on the Trademark Journals; (iii) the RoT was bound to examine the trade mark applications in a proper and efficient manner to weed out such marks.

The RoT contended that Gupta is not entitled to seek relief by way of this petition as he had already exhausted his statutory remedies in respect of the marks in question by way of opposition.

However, the Court rejected RoT’s contentions and clarified that:

- Historically, marks were advertised before acceptance only in exceptional circumstances.

- A mechanical advertisement of marks even when it is clear to the RoT that the mark ought not to proceed for registration, is contrary to the maintenance of the integrity of the Register.
- While examining a mark, the “application of mind” by the Registrar has to be deliberate and conscious, while observing the provisions of the Act.

In the interest of robust record keeping, in all cases of advertisement before or after acceptance, the Registrar must issue a specific order and provide its reasons for such advertisement in each case

Cross-border reputation is not automatic: Delhi High Court

Keller Williams Realty, Inc v. Dingle Buildcons Pvt. LTD. & Ors., was a suit for infringement and passing-off before the Delhi High Court in respect of the trademark KW. The mark was owned by Keller Williams Realty Inc (KWRI), the plaintiff. Though KW was registered as of March 2012, it was on a ‘proposed to be used’ basis. The defendants, Dingle Buildcons Limited & Ors (DBL), on the other hand, had been using an identical mark KW since April 2006, and registered the same in October 2016.

KWRI claimed interim relief against DBL, asserting reputation and goodwill in India based on a few emails from Indians expressing interest to be their agents in India. The Court rejected interim relief to KWRI on the ground that it had, till date, no business, customers, agents or franchisees in India and had not been instrumental in the establishment or operation of any real estate brokerage in India. While KWRI had prior use in the United States, based on judicial precedents, the Court observed that prior use of the trade mark in one jurisdiction would not by itself, entitle its owner or user to claim exclusive rights to the mark in India. To entitle itself of an interim injunction, the Court held that it was necessary for KWRI to establish that its reputation had spilled over to the Indian market prior to the use by DBL.

Besides, the Court found DBL's business, namely, development and construction of real estate, to be very different from that of KWRI, which is real estate brokerage.

Anti-suit injunction granted by the Delhi High Court

In *HT Media Limited & Anr vs. Brainlink International, Inc. & Anr*, the Delhi High Court granted an ex-parte anti-suit injunction to the plaintiff, HT Media Limited (HTML), against the defendants, Brain Link International & Anr (Brainlink). Brainlink had filed a declaratory suit for non-infringement before the United States District Court for the Eastern District of New York (EDNY).

HTML is the owner of several trademarks under the brand "Hindustan Times". It had requested Brainlink to transfer a domain, www.hindustan.com, which was allegedly not being used by Brainlink since 2000. While Brainlink quoted USD 1 million to HTML's investigator as the price for the domain name, when HTML directly entered into talks with Brainlink, it was raised to an exorbitant sum of USD 3 million.

On HTML's plea for an anti-suit injunction, the Court relied on earlier judicial precedents including *Modi Entertainment Network & Another v. W.S.G. Cricket Pte. Ltd.*, where the Supreme Court had laid down the criteria for granting such injunctions. It held that Brainlink's activities have a sufficient connection or effects within India (involving the "effects doctrine") and the exercise of jurisdiction by the Delhi High Court would be reasonable and permitted under the Indian Code of Civil Procedure.

Additionally, the Court found mala fides on the part of Brainlink as it never used the domain name and quoted a higher amount to HTML than to its investigator, who first approached Brainlink.

COPYRIGHTS

Is there copyright in the main plot of a story?

This was the question before the Bombay High Court in *Shamoli Ahmad Khan v. Falguni Sha & ORs*. The plaintiff, Shamoli Ahmad Khan ("Khan") is an Urdu writer. In 1993, he wrote a story titled, "Singardaan" (translated as, "Vanity Box"). The story became a hit and it was later translated and published in other languages, including Hindi.

Khan's case was that Falguni Shah ("Shah"), a film producer, had produced and released a web series under an identical title, copying the entire plot, narrative and characters of his story. Khan also alleged passing off by Shah of her web series as that of his since it bore the same title. Shah, on her part, denied the claim in the suit and submitted that though the titles of the rival works were the same, her work was an entirely original story and creation. She further stated that the respective premise, the story lines and the plots in the two works were materially different.

As for the issue of passing-off, the Court noted that to succeed in such a claim, it was imperative for Khan to show that the title or name of his own work had acquired such reputation (as the name of a literary work) that the public identifies it with him alone and none else. Since there was no such evidence on record, the Court declined to issue any interim relief.

As for the issue of copyright infringement, the Court pointed out that copyright protects only the expression of ideas and not the ideas themselves. To find out at what point plagiarism ceases to copy an author's ideas and steals the expression of his ideas, the Court employed the notion of extraction. While employing this notion, one would have to strip the final work of its embellishments, description of the mood, the motivations and the tribulations of its characters and their actual actions, till the plot and the story line are bared.

Accordingly, the Court looked at the main plot of Khan's story, which is that the protagonist gets hold of the vanity box of a prostitute and brings it home. His wife and daughters take an instant fancy to it. Dramatically, their behaviours change and start to verge on amorous and seductive when they use the vanity box. The similarities in the respective stories are that:

- the protagonist belonged to the Hindu faith and the prostitute, a Muslim;
- the vanity box comes into the possession of the protagonist during a riot;
- once the vanity box reaches the protagonist's home, his wife and daughter/s take a fancy to it and their behaviours dramatically change and resemble those of a prostitute.

The differences are that:

- In Khan's story, the protagonist was part of the riot and stole the vanity box from the prostitute. In Shah's story, the protagonist is in love with the prostitute and decides to keep the vanity box with him as she dies in the riot.

- In Khan's story, the protagonist had three daughters, whereas in Shah's story, the protagonist has only one daughter.
- There are more characters and sub plots in Shah's story than Khan's story.

Having analysed both the works, the Court noted that Shah's work does bring to mind Khan's work because the main plot, namely, the new possessor of the vanity box acquiring the behaviour of the prostitute is appearing in the same. The Court held that this plot cannot be described as a mere idea and is in fact an expression of Khan's idea, which is sufficiently fleshed and developed to make it copyrightable.

However, taking note of the fact that Shah's work was complete and had been in circulation on the internet for over one full year, the Court set down the suit for trial instead of granting a temporary injunction against exhibition of the web series. Shah was asked to maintain accounts of the profits made from the web series in the meantime. Besides directing Shah to maintain accounts of profits, the Court also enjoined her from making any further adaptation or use of the web series in a different format.

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