

# **PONDICHERRY UNIVERSITY**

(A Central University)

**DIRECTORATE OF DISTANCE EDUCATION**

## **INTELLECTUAL PROPERTY LAWS**

**MBA - IV Semester**



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## **Author**

### **Dr. Gurminder Kaur**

Assistant Prof. in Law and Head (i/c),  
School of Law  
Pondicherry University  
Puducherry

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**INTELLECTUAL PROPERTY LAWS**

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**Objectives:**

- To understand the different types of IPR and able to compare and contrast in terms of their key difference and similarities.
- To assess and critique some basic theoretical justification for each form of intellectual property protection
- To discuss the effects of intellectual property right on society as a whole

**Unit I: Introduction to Intellectual Property:**

Nature and Concept of Intellectual Property Rights; Paris Convention on the Protection of Industrial Property, 1883; Berne Convention on the Protection of Literary and Artistic Works, 1886; Trade Related Aspects of Intellectual Property Rights (TRIPs), 1994; World Intellectual Property Organization (WIPO); World Trade Organization (WTO)

**Unit II: Trade Marks (Trade Marks Act, 1999):**

Definitions and Registration: 'Registered and Unregistered Trade Marks; Procedure for Registration of Trade Relative Grounds for Refusal of Registration; Passing Off, Infringement and Licensing: Licensing of Trade Marks; Permission of Central Government not Required under the present Act; Necessity of Actual Quality Control; Supremacy of Licensing Agreement.

**Unit III: Patents (The Patent Act, 1970):**

Definition of Patent; Principles underlying patent law in India; Patentable and non-patentable inventions; Procedure to Obtain Patent; Terms of Patent; Register of Patent and Patent Office; Rights and Obligations of patentee; Transfer of Patent Rights, Assignment and License; Government use of Invention; Grounds for Revocation of Patent.

**Unit IV: Copyrights (The Copyrights Act, 1957):**

Definition of Copyrights; Subject Matter of Copyrights; Terms of Copyrights; Rights Conferred by Copyrights; Rights of Broadcasting Authorities; Registration of Copyrights;

Copyrights Board; International Copyrights; Assignment, Transmission and Relinquishment of Copyrights; License of Copyrights; Infringement of Copyrights and Remedies for Infringement

### **Unit V: Industrial Designs (The Designs Act, 2000)**

‘Design’, ‘Original’, ‘Copyright’, Copyright in Design; Registration of Design; Cancellation of Design; Infringement of Copyright in Designs and Remedies; Copyright and Trade Marks Geographical Indications ‘Geographical Indication’, ‘Indication’, ‘Goods’, ‘Producer’, Procedure for Registration GI; Grounds for Refusal of Registration of GI; Conflict of GIs and Trade Marks Traditional Knowledge Traditional Knowledge in IPR; Traditional Knowledge and WIPO; Digital register of TK in India.

### **References**

P Narayanan – Law of Trade Marks and Passing Offs; Eastern Book Company, Edition: 6th Edition, with Supplement, 2017, Reprinted 2023

P Narayanan – Copyright and Industrial Designs, Eastern Book Company, Edition: 4th Edition 2017, Reprinted 2019

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V. K. Ahuja – Law Relating to Intellectual Property Rights; Eastern Book Company, Edition: 3rd Edition, 2017

K C Kailasam & Ramu Vedaraman – Law of Trade Marks including International Registration under Madrid Protocol & Geographical Indications; lexis Nexis, 4th Edition.

WIPO – Background Reading Materials on Intellectual property (<https://www.wipo.int/>)

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## UNIT - I

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### Lesson 1.1 - Introduction to Intellectual Property

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Intellectual property rights are the rights given to persons over the creations of their minds. They usually give the creator an exclusive right over the use of his/her creation for a certain period of time.

#### **Nature and Concept of Intellectual Property Rights**

Intellectual Property (IP) is a special category of property created by human intellect (mind) in the fields of arts, literature, science, trade, etc. Since Intellectual Property is a novel creation of the mind, it is intangible (i.e. invisible and indivisible) in nature. It differs from tangible property, such as land, houses, gold and cars, with which we are quite familiar. Intellectual Property Rights (IPR) are the privileges accorded to the creator/inventor (of IP) in conformance with the laws. These rights are given to the creator/inventor in exchange for revealing the process of creation/invention in the public domain. The inventor is conferred with the special rights to use, sell, distribute, offer for sale and restrict others from using the invention without his prior permission. The aforementioned rights do not apply to the physical object (e.g. book or computer or mobile phone) in which the creation may be embodied but attributed to the intellectual creativity.

Broadly, Intellectual Property comprises two branches, i.e. 'Copyrights and Related Rights' and 'Industrial Property Rights'. Copyrights and Related Rights refer to the creative expressions in the fields of literature and art, such as books, publications, architecture, music, wood/stone carvings, pictures, portraits, sculptures, films and computer-based software/databases. The Industrial Property Rights refer to the Patents, Trademarks, Trade Services, Industrial Designs and Geographical Indications.

WIPO also defines Intellectual Property under Article 2(viii)

“Intellectual Property” shall include the rights relating to:

- literary, artistic and scientific works,
- performances of performing artists, phonograms, and broadcasts,
- inventions in all fields of human endeavor,
- scientific discoveries,
- industrial designs,
- trademarks, service marks, and commercial names and designations,
- protection against unfair competition, and all other rights resulting from intellectual activity in the industrial, scientific, literary or artistic fields.

## **The Evolution of Intellectual Property Rights**

The arena of Intellectual Property as we know it today has evolved through various stages to reach its modern version. This article traces its humble origins from the 6th century and the significant developments in the ensuing years that led to its latest avatar in the 21st century.

### **Greece to Venice**

The first known instance of something resembling IP was the exclusive right granted to chefs in the Greek colony of Sybaris over their culinary inventions in 500 BCE. Apart from this and a few more inconspicuous incidents, there are no references to any legal authority or institutions that protected a creator's rights in the Greek or Roman Empires. It is only in the Florentine Republic that a prominent case of IP surfaces next. Filippo Brunelleschi, a famous architect, was the first to receive a statute issued by the Republic of Florence that recognized the rights of authors and creators to their intellectual labor. While this was the first and last patent issued by the State due to several reasons, it was a landmark event. Thereafter the next instance of a permanent and lasting patent was found in the statute issued by the Venetian republic which not only recognized the rights of the inventor but also set up a mechanism to compensate for the infringement.

### **The Statute of Monopolies and Statute of Ann: England**

Medieval England seems to have drawn inspiration from the sparse events of the past to draft a full-fledged intellectual property law christened the Statute of Monopolies in 1623. It disbarred erstwhile royal monopolies except for the granting of "letter patents" to manufacturers of new inventions. Then came the Statute of Ann which is considered the first ever statute of modern copyright. It offered authors protection over their work for a period of 14 years and the prospect of renewal for another fourteen upon the expiry of the term.

### **Paris Convention and Berne Convention**

When foreign exhibitors refused to attend the international exhibition in Vienna to showcase their inventions, for the fear of their ideas being stolen, the world felt the need to introduce an international system for protection. Thus, was born the Paris Convention (1883)- the first international step taken to protect creators and their inventions internationally. Then came



the Berne Convention in 1886 which pledged the protection of the works of artists and authors across fields like music, poetry, painting, writing etc. With 179 states as contracting parties, it enforces countries to recognize copyrights held by citizens in any of the participating States. It has definitely proved a boon for artists and aids them in bringing their work to the international stage. Trade-Related Aspects of Intellectual Property Rights (TRIPS) is by far the most comprehensive global agreement on the protection of Intellectual Property. It lays the foundation for facilitating innovation and technology transfers on a global platform.

### **The World Intellectual Property Organization**

Established in 1967, the World Intellectual Property Organization (WIPO) is an agency of the United Nations that serves as a global forum for Intellectual Property. A culmination of the Paris and Berne Conventions, the primary purpose of this body is to aid in the development of an effective international IP system that fosters innovation.

The following parts of this chapter contains detailed international instruments related to Intellectual Property.

### **Paris Convention of the Protection of Industrial Property**

of March 20, 1883,  
as revised at Brussels on December 14, 1900, at Washington  
on June 2, 1911, at The Hague on November 6, 1925,  
at London on June 2, 1934, at Lisbon on October 31, 1958,  
and at Stockholm on July 14, 1967,  
and as amended on September 28, 1979

#### **Article 1**

[Establishment of the Union; Scope of Industrial Property]

- (1) The countries to which this Convention applies constitute a Union for the protection of industrial property.
- (2) The protection of industrial property has as its object patents, utility models, industrial designs, trademarks, service marks, trade names, indications of source or appellations of origin, and the repression of unfair competition.
- (3) Industrial property shall be understood in the broadest sense and shall apply not only to industry and commerce proper, but likewise

to agricultural and extractive industries and to all manufactured or natural products, for example, wines, grain, tobacco leaf, fruit, cattle, minerals, mineral waters, beer, flowers, and flour.

- (4) Patents shall include the various kinds of industrial patents recognized by the laws of the countries of the Union, such as patents of importation, patents of improvement, patents and certificates of addition, etc.

## **Article 2**

[National Treatment for Nationals of Countries of the Union]

- (1) Nationals of any country of the Union shall, as regards the protection of industrial property, enjoy in all the other countries of the Union the advantages that their respective laws now grant, or may hereafter grant, to nationals; all without prejudice to the rights specially provided for by this Convention. Consequently, they shall have the same protection as the latter, and the same legal remedy against any infringement of their rights, provided that the conditions and formalities imposed upon nationals are complied with.
- (2) However, no requirement as to domicile or establishment in the country where protection is claimed may be imposed upon nationals of countries of the Union for the enjoyment of any industrial property rights.
- (3) The provisions of the laws of each of the countries of the Union relating to judicial and administrative procedure and to jurisdiction, and to the designation of an address for service or the appointment of an agent, which may be required by the laws on industrial property are expressly reserved.

## **Article 3**

[Same Treatment for Certain Categories of Persons as for Nationals of Countries of the Union]

Nationals of countries outside the Union who are domiciled or who have real and effective industrial or commercial establishments in the territory of one of the countries of the Union shall be treated in the same manner as nationals of the countries of the Union.

**Article 4**

[A to I. Patents, Utility Models, Industrial Designs, Marks, Inventors' Certificates: Right of Priority. – G. Patents: Division of the Application]

**A.—**

- (1) Any person who has duly filed an application for a patent, or for the registration of a utility model, or of an industrial design, or of a trademark, in one of the countries of the Union, or his successor in title, shall enjoy, for the purpose of filing in the other countries, a right of priority during the periods hereinafter fixed.
- (2) Any filing that is equivalent to a regular national filing under the domestic legislation of any country of the Union or under bilateral or multilateral treaties concluded between countries of the Union shall be recognized as giving rise to the right of priority.
- (3) By a regular national filing is meant any filing that is adequate to establish the date on which the application was filed in the country concerned, whatever may be the subsequent fate of the application.

**B. —**

Consequently, any subsequent filing in any of the other countries of the Union before the expiration of the periods referred to above shall not be invalidated by reason of any acts accomplished in the interval, in particular, another filing, the publication or exploitation of the invention, the putting on sale of copies of the design, or the use of the mark, and such acts cannot give rise to any third-party right or any right of personal possession. Rights acquired by third parties before the date of the first application that serves as the basis for the right of priority are reserved in accordance with the domestic legislation of each country of the Union

**C.—**

- (1) The periods of priority referred to above shall be twelve months for patents and utility models, and six months for industrial designs and trademarks.
- (2) These periods shall start from the date of filing of the first application; the day of filing shall not be included in the period.

- (3) If the last day of the period is an official holiday, or a day when the Office is not open for the filing of applications in the country where protection is claimed, the period shall be extended until the first following working day.
- (4) A subsequent application concerning the same subject as a previous first application within the meaning of paragraph (2), above, filed in the same country of the Union shall be considered as the first application, of which the filing date shall be the starting point of the period of priority, if, at the time of filing the subsequent application, the said previous application has been withdrawn, abandoned, or refused, without having been laid open to public inspection and without leaving any rights outstanding, and if it has not yet served as a basis for claiming a right of priority. The previous application may not thereafter serve as a basis for claiming a right of priority.

**D.—**

- (1) Any person desiring to take advantage of the priority of a previous filing shall be required to make a declaration indicating the date of such filing and the country in which it was made. Each country shall determine the latest date on which such declaration must be made.
- (2) These particulars shall be mentioned in the publications issued by the competent authority, and in particular in the patents and the specifications relating thereto.
- (3) The countries of the Union may require any person making a declaration of priority to produce a copy of the application (description, drawings, etc.) previously filed. The copy, certified as correct by the authority which received such application, shall not require any authentication, and may in any case be filed, without fee, at any time within three months of the filing of the subsequent application. They may require it to be accompanied by a certificate from the same authority showing the date of filing, and by a translation.
- (4) No other formalities may be required for the declaration of priority at the time of filing the application. Each country of the Union shall determine the consequences of failure to comply with the formalities prescribed by this Article, but such consequences shall in no case go beyond the loss of the right of priority.

- (5) Subsequently, further proof may be required. Any person who avails himself of the priority of a previous application shall be required to specify the number of that application; this number shall be published as provided for by paragraph (2), above.

**E.—**

- (1) Where an industrial design is filed in a country by virtue of a right of priority based on the filing of a utility model, the period of priority shall be the same as that fixed for industrial designs
- (2) Furthermore, it is permissible to file a utility model in a country by virtue of a right of priority based on the filing of a patent application, and vice versa.

**F. —**

No country of the Union may refuse a priority or a patent application on the ground that the applicant claims multiple priorities, even if they originate in different countries, or on the ground that an application claiming one or more priorities contains one or more elements that were not included in the application or applications whose priority is claimed, provided that, in both cases, there is unity of invention within the meaning of the law of the country. With respect to the elements not included in the application or applications whose priority is claimed, the filing of the subsequent application shall give rise to a right of priority under ordinary conditions.

**G.—**

- (1) If the examination reveals that an application for a patent contains more than one invention, the applicant may divide the application into a certain number of divisional applications and preserve as the date of each the date of the initial application and the benefit of the right of priority, if any.
- (2) The applicant may also, on his own initiative, divide a patent application and preserve as the date of each divisional application the date of the initial application and the benefit of the right of priority, if any. Each country of the Union shall have the right to determine the conditions under which such division shall be authorized.

**H. —**

Priority may not be refused on the ground that certain elements of the invention for which priority is claimed do not appear among the claims formulated in the application in the country of origin, provided that the application documents as a whole specifically disclose such elements.

**I.—**

- (1) Applications for inventors' certificates filed in a country in which applicants have the right to apply at their own option either for a patent or for an inventor's certificate shall give rise to the right of priority provided for by this Article, under the same conditions and with the same effects as applications for patents.
- (2) In a country in which applicants have the right to apply at their own option either for a patent or for an inventor's certificate, an applicant for an inventor's certificate shall, in accordance with the provisions of this Article relating to patent applications, enjoy a right of priority based on an application for a patent, a utility model, or an inventor's certificate.

**Article 4<sup>bis</sup>**

[*Patents*: Independence of Patents Obtained for the Same Invention in Different Countries]

- (1) Patents applied for in the various countries of the Union by nationals of countries of the Union shall be independent of patents obtained for the same invention in other countries, whether members of the Union or not.

**Article 4<sup>quater</sup>**

[*Patents*: Patentability in Case of Restrictions of Sale by Law]

The grant of a patent shall not be refused and a patent shall not be invalidated on the ground that the sale of the patented product or of a product obtained by means of a patented process is subject to restrictions or limitations resulting from the domestic law.

## Article 5

[A. *Patents*: Importation of Articles; Failure to Work or Insufficient Working; Compulsory Licenses. — B. *Industrial Designs*: Failure to Work; Importation of Articles. — C. Marks: Failure to Use; Different Forms; Use by Co-proprietors. — D. *Patents, Utility Models, Marks, Industrial Designs*: Marking]

### A.—

- (1) Importation by the patentee into the country where the patent has been granted of articles manufactured in any of the countries of the Union shall not entail forfeiture of the patent.
- (2) Each country of the Union shall have the right to take legislative measures providing for the grant of compulsory licenses to prevent the abuses which might result from the exercise of the exclusive rights conferred by the patent, for example, failure to work.
- (3) Forfeiture of the patent shall not be provided for except in cases where the grant of compulsory licenses would not have been sufficient to prevent the said abuses. No proceedings for the forfeiture or revocation of a patent may be instituted before the expiration of two years from the grant of the first compulsory license.
- (4) A compulsory license may not be applied for on the ground of failure to work or insufficient working before the expiration of a period of four years from the date of filing of the patent application or three years from the date of the grant of the patent, whichever period expires last; it shall be refused if the patentee justifies his inaction by legitimate reasons. Such a compulsory license shall be non-exclusive and shall not be transferable, even in the form of the grant of a sub-license, except with that part of the enterprise or goodwill which exploits such license.
- (5) The foregoing provisions shall be applicable, *mutatis mutandis*, to utility models.

### B. —

The protection of industrial designs shall not, under any circumstance, be subject to any forfeiture, either by reason of failure to work or by reason of the importation of articles corresponding to those which are protected.

**C.—**

- (1) If, in any country, use of the registered mark is compulsory, the registration may be cancelled only after a reasonable period, and then only if the person concerned does not justify his inaction.
- (2) Use of a trademark by the proprietor in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered in one of the countries of the Union shall not entail invalidation of the registration and shall not diminish the protection granted to the mark.
- (3) Concurrent use of the same mark on identical or similar goods by industrial or commercial establishments considered as co-proprietors of the mark according to the provisions of the domestic law of the country where protection is claimed shall not prevent registration or diminish in any way the protection granted to the said mark in any country of the Union, provided that such use does not result in misleading the public and is not contrary to the public interest.

No indication or mention of the patent, of the utility model, of the registration of the trademark, or of the deposit of the industrial design, shall be required upon the goods as a condition of recognition of the right to protection.

**Article 5<sup>bis</sup>**

[*All Industrial Property Rights*: Period of Grace for the Payment of Fees for the Maintenance of Rights; *Patents*: Restoration]

- (1) A period of grace of not less than six months shall be allowed for the payment of the fees prescribed for the maintenance of industrial property rights, subject, if the domestic legislation so provides, to the payment of a surcharge.
- (2) The countries of the Union shall have the right to provide for the restoration of patents which have lapsed by reason of non-payment of fees.

**Article 5<sup>ter</sup>**

[*Patents*: Patented Devices Forming Part of Vessels, Aircraft, or Land Vehicles]



In any country of the Union the following shall not be considered as infringements of the rights of a patentee:

1. the use on board vessels of other countries of the Union of devices forming the subject of his patent in the body of the vessel, in the machinery, tackle, gear and other accessories, when such vessels temporarily or accidentally enter the waters of the said country, provided that such devices are used there exclusively for the needs of the vessel;
2. the use of devices forming the subject of the patent in the construction or operation of aircraft or land vehicles of other countries of the Union, or of accessories of such aircraft or land vehicles, when those aircraft or land vehicles temporarily or accidentally enter the said country.

#### **Article 5<sup>quater</sup>**

[*Patents: Importation of Products Manufactured by a Process Patented in the Importing Country*]

When a product is imported into a country of the Union where there exists a patent protecting a process of manufacture of the said product, the patentee shall have all the rights, with regard to the imported product, that are accorded to him by the legislation of the country of importation, on the basis of the process patent, with respect to products manufactured in that country.

#### **Article 5<sup>quinquies</sup>**

[*Industrial Designs*]

Industrial designs shall be protected in all the countries of the Union.

#### **Article 6**

[*Marks: Conditions of Registration; Independence of Protection of Same Mark in Different Countries*]

- (1) The conditions for the filing and registration of trademarks shall be determined in each country of the Union by its domestic legislation.
- (2) However, an application for the registration of a mark filed by a national of a country of the Union in any country of the Union

may not be refused, nor may a registration be invalidated, on the ground that filing, registration, or renewal, has not been effected in the country of origin.

- (3) A mark duly registered in a country of the Union shall be regarded as independent of marks registered in the other countries of the Union, including the country of origin.

#### **Article 6<sup>bis</sup>**

[Marks: Well-Known Marks]

- (1) The countries of the Union undertake, ex officio if their legislation so permits, or at the request of an interested party, to refuse or to cancel the registration, and to prohibit the use, of a trademark which constitutes a reproduction, an imitation, or a translation, liable to create confusion, of a mark considered by the competent authority of the country of registration or use to be well known in that country as being already the mark of a person entitled to the benefits of this Convention and used for identical or similar goods. These provisions shall also apply when the essential part of the mark constitutes a reproduction of any such well-known mark or an imitation liable to create confusion therewith.
- (2) A period of at least five years from the date of registration shall be allowed for requesting the cancellation of such a mark. The countries of the Union may provide for a period within which the prohibition of use must be requested.
- (3) No time limit shall be fixed for requesting the cancellation or the prohibition of the use of marks registered or used in bad faith.

#### **Article 6<sup>ter</sup>**

[Marks: Prohibitions concerning State Emblems, Official Hallmarks, and Emblems of Intergovernmental Organizations]

- (1)
  - (a) The countries of the Union agree to refuse or to invalidate the registration, and to prohibit by appropriate measures the use, without authorization by the competent authorities, either as trademarks or as elements of trademarks, of armorial bearings, flags, and other State emblems, of the countries of the Union, official signs and hallmarks indicating control

and warranty adopted by them, and any imitation from a heraldic point of view.

- (b) The provisions of subparagraph (a), above, shall apply equally to armorial bearings, flags, other emblems, abbreviations, and names, of international intergovernmental organizations of which one or more countries of the Union are members, with the exception of armorial bearings, flags, other emblems, abbreviations, and names, that are already the subject of international agreements in force, intended to ensure their protection.
  - (c) No country of the Union shall be required to apply the provisions of subparagraph (b), above, to the prejudice of the owners of rights acquired in good faith before the entry into force, in that country, of this Convention. The countries of the Union shall not be required to apply the said provisions when the use or registration referred to in subparagraph (a), above, is not of such a nature as to suggest to the public that a connection exists between the organization concerned and the armorial bearings, flags, emblems, abbreviations, and names, or if such use or registration is probably not of such a nature as to mislead the public as to the existence of a connection between the user and the organization.
- (2) Prohibition of the use of official signs and hallmarks indicating control and warranty shall apply solely in cases where the marks in which they are incorporated are intended to be used on goods of the same or a similar kind.
- (3)
  - (a) For the application of these provisions, the countries of the Union agree to communicate reciprocally, through the intermediary of the International Bureau, the list of State emblems, and official signs and hallmarks indicating control and warranty, which they desire, or may hereafter desire, to place wholly or within certain limits under the protection of this Article, and all subsequent modifications of such list. Each country of the Union shall in due course make available to the public the lists so communicated. Nevertheless such communication is not obligatory in respect of flags of States.

- (b) The provisions of subparagraph (b) of paragraph (1) of this Article shall apply only to such armorial bearings, flags, other emblems, abbreviations, and names, of international intergovernmental organizations as the latter have communicated to the countries of the Union through the intermediary of the International Bureau.
- (4) Any country of the Union may, within a period of twelve months from the receipt of the notification, transmit its objections, if any, through the intermediary of the International Bureau, to the country or international intergovernmental organization concerned.
- (5) In the case of State flags, the measures prescribed by paragraph (1), above, shall apply solely to marks registered after November 6, 1925.
- (6) In the case of State emblems other than flags, and of official signs and hallmarks of the countries of the Union, and in the case of armorial bearings, flags, other emblems, abbreviations, and names, of international intergovernmental organizations, these provisions shall apply only to marks registered more than two months after receipt of the communication provided for in paragraph (3), above.
- (7) In cases of bad faith, the countries shall have the right to cancel even those marks incorporating State emblems, signs, and hallmarks, which were registered before November 6, 1925.
- (8) Nationals of any country who are authorized to make use of the State emblems, signs, and hallmarks, of their country may use them even if they are similar to those of another country.
- (9) The countries of the Union undertake to prohibit the unauthorized use in trade of the State armorial bearings of the other countries of the Union, when the use is of such a nature as to be misleading as to the origin of the goods.
- (10) The above provisions shall not prevent the countries from exercising the right given in paragraph (3) of Article 6<sup>quinquies</sup>, Section B, to refuse or to invalidate the registration of marks incorporating, without authorization, armorial bearings, flags, other State emblems, or official signs and hallmarks adopted by a country of the Union, as well as the distinctive signs of international intergovernmental organizations referred to in paragraph (1), above.

**Article 6<sup>quater</sup>**

[Marks: Assignment of Marks]

- (1) When, in accordance with the law of a country of the Union, the assignment of a mark is valid only if it takes place at the same time as the transfer of the business or goodwill to which the mark belongs, it shall suffice for the recognition of such validity that the portion of the business or goodwill located in that country be transferred to the assignee, together with the exclusive right to manufacture in the said country, or to sell therein, the goods bearing the mark assigned.
- (2) The foregoing provision does not impose upon the countries of the Union any obligation to regard as valid the assignment of any mark the use of which by the assignee would, in fact, be of such a nature as to mislead the public, particularly as regards the origin, nature, or essential qualities, of the goods to which the mark is applied.

**Article 6<sup>quinquies</sup>**

[Marks: Protection of Marks Registered in One Country of the Union in the Other Countries of the Union]

**A.—**

- (1) Every trademark duly registered in the country of origin shall be accepted for filing and protected as is in the other countries of the Union, subject to the reservations indicated in this Article. Such countries may, before proceeding to final registration, require the production of a certificate of registration in the country of origin, issued by the competent authority. No authentication shall be required for this certificate.
- (2) Shall be considered the country of origin the country of the Union where the applicant has a real and effective industrial or commercial establishment, or, if he has no such establishment within the Union, the country of the Union where he has his domicile, or, if he has no domicile within the Union but is a national of a country of the Union, the country of which he is a national.

**B. —**

Trademarks covered by this Article may be neither denied registration nor invalidated except in the following cases:

1. when they are of such a nature as to infringe rights acquired by third parties in the country where protection is claimed;
2. when they are devoid of any distinctive character, or consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, place of origin, of the goods, or the time of production, or have become customary in the current language or in the bona fide and established practices of the trade of the country where protection is claimed;
3. when they are contrary to morality or public order and, in particular, of such a nature as to deceive the public. It is understood that a mark may not be considered contrary to public order for the sole reason that it does not conform to a provision of the legislation on marks, except if such provision itself relates to public order. This provision is subject, however, to the application of Article 10bis.

**C.—**

- (1) In determining whether a mark is eligible for protection, all the factual circumstances must be taken into consideration, particularly the length of time the mark has been in use. (2) No trademark shall be refused in the other countries of the Union for the sole reason that it differs from the mark protected in the country of origin only in respect of elements that do not alter its distinctive character and do not affect its identity in the form in which it has been registered in the said country of origin.

**D. —**

No person may benefit from the provisions of this Article if the mark for which he claims protection is not registered in the country of origin.

**E. —**

However, in no case shall the renewal of the registration of the mark in the country of origin involve an obligation to renew the registration in the other countries of the Union in which the mark has been registered.

**F. —**

The benefit of priority shall remain unaffected for applications for the registration of marks filed within the period fixed by Article 4, even

if registration in the country of origin is effected after the expiration of such period.

#### **Article 6<sup>sexies</sup>**

[Marks: Service Marks]

The countries of the Union undertake to protect service marks. They shall not be required to provide for the registration of such marks.

#### **Article 6<sup>septies</sup>**

[Marks: Registration in the Name of the Agent or Representative of the Proprietor Without the Latter's Authorization]

- (1) If the agent or representative of the person who is the proprietor of a mark in one of the countries of the Union applies, without such proprietor's authorization, for the registration of the mark in his own name, in one or more countries of the Union, the proprietor shall be entitled to oppose the registration applied for or demand its cancellation or, if the law of the country so allows, the assignment in his favor of the said registration, unless such agent or representative justifies his action.
- (2) The proprietor of the mark shall, subject to the provisions of paragraph (1), above, be entitled to oppose the use of his mark by his agent or representative if he has not authorized such use.
- (3) Domestic legislation may provide an equitable time limit within which the proprietor of a mark must exercise the rights provided for in this Article.

#### **Article 7**

[Marks: Nature of the Goods to which the Mark is Applied]

The nature of the goods to which a trademark is to be applied shall in no case form an obstacle to the registration of the mark.

#### **Article 7<sup>bis</sup>**

[Marks: Collective Marks]

- (1) The countries of the Union undertake to accept for filing and to protect collective marks belonging to associations the existence

of which is not contrary to the law of the country of origin, even if such associations do not possess an industrial or commercial establishment.

- (2) Each country shall be the judge of the particular conditions under which a collective mark shall be protected and may refuse protection if the mark is contrary to the public interest.
- (3) Nevertheless, the protection of these marks shall not be refused to any association the existence of which is not contrary to the law of the country of origin, on the ground that such association is not established in the country where protection is sought or is not constituted according to the law of the latter country.

#### **Article 8**

[*Trade Names*]

A trade name shall be protected in all the countries of the Union without the obligation of filing or registration, whether or not it forms part of a trademark.

#### **Article 9**

[*Marks, Trade Names: Seizure, on Importation, etc., of Goods Unlawfully Bearing a Mark or Trade Name*]

- (1) All goods unlawfully bearing a trademark or trade name shall be seized on importation into those countries of the Union where such mark or trade name is entitled to legal protection.
- (2) Seizure shall likewise be effected in the country where the unlawful affixation occurred or in the country into which the goods were imported.
- (3) Seizure shall take place at the request of the public prosecutor, or any other competent authority, or any interested party, whether a natural person or a legal entity, in conformity with the domestic legislation of each country.
- (4) The authorities shall not be bound to effect seizure of goods in transit.
- (5) If the legislation of a country does not permit seizure on importation, seizure shall be replaced by prohibition of importation or by seizure inside the country.



- (6) If the legislation of a country permits neither seizure on importation nor prohibition of importation nor seizure inside the country, then, until such time as the legislation is modified accordingly, these measures shall be replaced by the actions and remedies available in such cases to nationals under the law of such country.

### Article 10

[*False Indications: Seizure, on Importation, etc., of Goods Bearing False Indications as to their Source or the Identity of the Producer*]

- (1) The provisions of the preceding Article shall apply in cases of direct or indirect use of a false indication of the source of the goods or the identity of the producer, manufacturer, or merchant.
- (2) Any producer, manufacturer, or merchant, whether a natural person or a legal entity, engaged in the production or manufacture of or trade in such goods and established either in the locality falsely indicated as the source, or in the region where such locality is situated, or in the country falsely indicated, or in the country where the false indication of source is used, shall in any case be deemed an interested party.

### Article 10<sup>bis</sup>

[*Unfair Competition*]

- (1) The countries of the Union are bound to assure to nationals of such countries effective protection against unfair competition.
- (2) Any act of competition contrary to honest practices in industrial or commercial matters constitutes an act of unfair competition.
- (3) The following in particular shall be prohibited:
  1. all acts of such a nature as to create confusion by any means whatever with the establishment, the goods, or the industrial or commercial activities, of a competitor;
  2. false allegations in the course of trade of such a nature as to discredit the establishment, the goods, or the industrial or commercial activities, of a competitor;
  3. indications or allegations the use of which in the course of trade is liable to mislead the public as to the nature, the manufacturing process, the characteristics, the suitability for their purpose, or the quantity, of the goods.

#### **Article 10<sup>ter</sup>**

[*Marks, Trade Names, False Indications, Unfair Competition: Remedies, Right to Sue*]

- (1) The countries of the Union undertake to assure to nationals of the other countries of the Union appropriate legal remedies effectively to repress all the acts referred to in Articles 9, 10, and 10<sup>bis</sup>.
- (2) They undertake, further, to provide measures to permit federations and associations representing interested industrialists, producers, or merchants, provided that the existence of such federations and associations is not contrary to the laws of their countries, to take action in the courts or before the administrative authorities, with a view to the repression of the acts referred to in Articles 9, 10, and 10<sup>bis</sup>, in so far as the law of the country in which protection is claimed allows such action by federations and associations of that country.

#### **Article 11**

[*Inventions, Utility Models, Industrial Designs, Marks: Temporary Protection at Certain International Exhibitions*]

- (1) The countries of the Union shall, in conformity with their domestic legislation, grant temporary protection to patentable inventions, utility models, industrial designs, and trademarks, in respect of goods exhibited at official or officially recognized international exhibitions held in the territory of any of them.
- (2) Such temporary protection shall not extend the periods provided by Article 4. If, later, the right of priority is invoked, the authorities of any country may provide that the period shall start from the date of introduction of the goods into the exhibition.
- (3) Each country may require, as proof of the identity of the article exhibited and of the date of its introduction, such documentary evidence as it considers necessary.

#### **Article 12**

[*Special National Industrial Property Services*]

- (1) Each country of the Union undertakes to establish a special industrial property service and a central office for the communication to the public of patents, utility models, industrial designs, and trademarks.

- (2) This service shall publish an official periodical journal. It shall publish regularly:
  - (a) the names of the proprietors of patents granted, with a brief designation of the inventions patented;
  - (b) the reproductions of registered trademarks.

### Article 13

[Assembly of the Union]

- (1)
  - (a) The Union shall have an Assembly consisting of those countries of the Union which are bound by Articles 13 to 17.
  - (b) The Government of each country shall be represented by one delegate, who may be assisted by alternate delegates, advisors, and experts.
  - (c) The expenses of each delegation shall be borne by the Government which has appointed it.
- (2)
  - (a) The Assembly shall:
    - (i) deal with all matters concerning the maintenance and development of the Union and the implementation of this Convention;
    - (ii) give directions concerning the preparation for conferences of revision to the International Bureau of Intellectual Property (hereinafter designated as "the International Bureau") referred to in the Convention establishing the World Intellectual Property Organization (hereinafter designated as "the Organization"), due account being taken of any comments made by those countries of the Union which are not bound by Articles 13 to 17;
    - (iii) review and approve the reports and activities of the Director General of the Organization concerning the Union, and give him all necessary instructions concerning matters within the competence of the Union;
    - (iv) elect the members of the Executive Committee of the Assembly;

- (v) review and approve the reports and activities of its Executive Committee, and give instructions to such Committee;
- (vi) determine the program and adopt the biennial budget of the Union, and approve its final accounts;
- (vii) adopt the financial regulations of the Union;
- (viii) establish such committees of experts and working groups as it deems appropriate to achieve the objectives of the Union;
- (ix) determine which countries not members of the Union and which intergovernmental and international nongovernmental organizations shall be admitted to its meetings as observers;
- (x) adopt amendments to Articles 13 to 17;
- (xi) take any other appropriate action designed to further the objectives of the Union;
- (xii) perform such other functions as are appropriate under this Convention;
- (xiii) subject to its acceptance, exercise such rights as are given to it in the Convention establishing the Organization.

(b) With respect to matters which are of interest also to other Unions administered by the Organization, the Assembly shall make its decisions after having heard the advice of the Coordination Committee of the Organization.

(3)

- (a) Subject to the provisions of subparagraph (b), a delegate may represent one country only.
- (b) Countries of the Union grouped under the terms of a special agreement in a common office possessing for each of them the character of a special national service of industrial property as referred to in Article 12 may be jointly represented during discussions by one of their number.

(4)

- (a) Each country member of the Assembly shall have one vote.
- (b) One-half of the countries members of the Assembly shall constitute a quorum.

- (c) Notwithstanding the provisions of subparagraph (b), if, in any session, the number of countries represented is less than one-half but equal to or more than one-third of the countries members of the Assembly, the Assembly may make decisions but, with the exception of decisions concerning its own procedure, all such decisions shall take effect only if the conditions, set forth hereinafter are fulfilled. The International Bureau shall communicate the said decisions to the countries members of the Assembly which were not represented and shall invite them to express in writing their vote or abstention within a period of three months from the date of the communication. If, at the expiration of this period, the number of countries having thus expressed their vote or abstention attains the number of countries which was lacking for attaining the quorum in the session itself, such decisions shall take effect provided that at the same time the required majority still obtains.
  - (d) Subject to the provisions of Article 17(2), the decisions of the Assembly shall require two-thirds of the votes cast.
  - (e) Abstentions shall not be considered as votes.
- (5)
- (a) Subject to the provisions of subparagraph (b), a delegate may vote in the name of one country only.
  - (b) The countries of the Union referred to in paragraph (3) shall, as a general rule, endeavor to send their own delegations to the sessions of the Assembly. If, however, for exceptional reasons, any such country cannot send its own delegation, it may give to the delegation of another such country the power to vote in its name, provided that each delegation may vote by proxy for one country only. Such power to vote shall be granted in a document signed by the Head of State or the competent Minister.
- (6) Countries of the Union not members of the Assembly shall be admitted to the meetings of the latter as observers.
- (7)
- (a) The Assembly shall meet once in every second calendar year in ordinary session upon convocation by the Director General and, in the absence of exceptional circumstances, during the same period and at the same place as the General Assembly of the Organization.

- (b) The Assembly shall meet in extraordinary session upon convocation by the Director General, at the request of the Executive Committee or at the request of one-fourth of the countries members of the Assembly.
- (8) The Assembly shall adopt its own rules of procedure.

#### **Article 14**

##### **[Executive Committee]**

- (1) The Assembly shall have an Executive Committee.
- (2)
  - (a) The Executive Committee shall consist of countries elected by the Assembly from among countries members of the Assembly. Furthermore, the country on whose territory the Organization has its headquarters shall, subject to the provisions of Article 16(7)(b), have an ex officio seat on the Committee.
  - (b) The Government of each country member of the Executive Committee shall be represented by one delegate, who may be assisted by alternate delegates, advisors, and experts.
  - (c) The expenses of each delegation shall be borne by the Government which has appointed it.
- (3) The number of countries members of the Executive Committee shall correspond to one-fourth of the number of countries members of the Assembly. In establishing the number of seats to be filled, remainders after division by four shall be disregarded.
- (4) In electing the members of the Executive Committee, the Assembly shall have due regard to an equitable geographical distribution and to the need for countries party to the Special Agreements established in relation with the Union to be among the countries constituting the Executive Committee.
- (5)
  - (a) Each member of the Executive Committee shall serve from the close of the session of the Assembly which elected it to the close of the next ordinary session of the Assembly.
  - (b) Members of the Executive Committee may be re-elected, but only up to a maximum of two-thirds of such members.

- (c) The Assembly shall establish the details of the rules governing the election and possible re- election of the members of the Executive Committee.
- (6)
  - (a) The Executive Committee shall:
    - (i) prepare the draft agenda of the Assembly;
    - (ii) submit proposals to the Assembly in respect of the draft program and biennial budget of the Union prepared by the Director General;
    - (iii) [deleted]
    - (iv) submit, with appropriate comments, to the Assembly the periodical reports of the Director General and the yearly audit reports on the accounts;
    - (v) take all necessary measures to ensure the execution of the program of the Union by the Director General, in accordance with the decisions of the Assembly and having regard to circumstances arising between two ordinary sessions of the Assembly;
    - (vi) perform such other functions as are allocated to it under this Convention.
  - (b) With respect to matters which are of interest also to other Unions administered by the Organization, the Executive Committee shall make its decisions after having heard the advice of the Coordination Committee of the Organization.
- (7)
  - (a) The Executive Committee shall meet once a year in ordinary session upon convocation by the Director General, preferably during the same period and at the same place as the Coordination Committee of the Organization.
  - (b) The Executive Committee shall meet in extraordinary session upon convocation by the Director General, either on his own initiative, or at the request of its Chairman or one-fourth of its members.
- (8)
  - (a) Each country member of the Executive Committee shall have one vote.

- (b) One-half of the members of the Executive Committee shall constitute a quorum.
  - (c) Decisions shall be made by a simple majority of the votes cast.
  - (d) Abstentions shall not be considered as votes.
  - (e) A delegate may represent, and vote in the name of, one country only.
- (9) Countries of the Union not members of the Executive Committee shall be admitted to its meetings as observers.
- (10) The Executive Committee shall adopt its own rules of procedure.

### Article 15

#### [International Bureau]

- (1)
  - (a) Administrative tasks concerning the Union shall be performed by the International Bureau, which is a continuation of the Bureau of the Union united with the Bureau of the Union established by the International Convention for the Protection of Literary and Artistic Works.
  - (b) In particular, the International Bureau shall provide the secretariat of the various organs of the Union.
  - (c) The Director General of the Organization shall be the chief executive of the Union and shall represent the Union.
- (2) The International Bureau shall assemble and publish information concerning the protection of industrial property. Each country of the Union shall promptly communicate to the International Bureau all new laws and official texts concerning the protection of industrial property. Furthermore, it shall furnish the International Bureau with all the publications of its industrial property service of direct concern to the protection of industrial property which the International Bureau may find useful in its work.
- (3) The International Bureau shall publish a monthly periodical.
- (4) The International Bureau shall, on request, furnish any country of the Union with information on matters concerning the protection of industrial property.



- (5) The International Bureau shall conduct Studies, and shall provide services, designed to facilitate the protection of industrial property.
- (6) The Director General and any staff member designated by him shall participate, without the right to vote, in all meetings of the Assembly, the Executive Committee, and any other committee of experts or working group. The Director General, or a staff member designated by him, shall be ex officio secretary of these bodies.
- (7)
  - (a) The International Bureau shall, in accordance with the directions of the Assembly and in cooperation with the Executive Committee, make the preparations for the conferences of revision of the provisions of the Convention other than Articles 13 to 17.
  - (b) The International Bureau may consult with intergovernmental and international non-governmental organizations concerning preparations for conferences of revision.
  - (c) The Director General and persons designated by him shall take part, without the right to vote, in the discussions at these conferences.
- (8) The International Bureau shall carry out any other tasks assigned to it.

## Article 16

### [Finances]

- (1)
  - (a) The Union shall have a budget.
  - (b) The budget of the Union shall include the income and expenses proper to the Union, its contribution to the budget of expenses common to the Unions, and, where applicable, the sum made available to the budget of the Conference of the Organization.
  - (c) Expenses not attributable exclusively to the Union but also to one or more other Unions administered by the Organization shall be considered as expenses common to the Unions. The share of the Union in such common expenses shall be in proportion to the interest the Union has in them.

- (2) The budget of the Union shall be established with due regard to the requirements of coordination with the budgets of the other Unions administered by the Organization.
- (3) The budget of the Union shall be financed from the following sources:
  - (i) contributions of the countries of the Union;
  - (ii) fees and charges due for services rendered by the International Bureau in relation to the Union;
  - (iii) sale of, or royalties on, the publications of the International Bureau concerning the Union;
  - (iv) gifts, bequests, and subventions;
  - (v) rents, interests, and other miscellaneous income.
- (4)
  - (a) For the purpose of establishing its contribution towards the budget, each country of the Union shall belong to a class, and shall pay its annual contributions on the basis of a number of units fixed as follows:

Class I .....	25
Class II .....	20
Class III .....	15
Class IV .....	10
Class V .....	5
Class VI .....	3
Class VII .....	1
  - (b) Unless it has already done so, each country shall indicate, concurrently with depositing its instrument of ratification or accession, the class to which it wishes to belong. Any country may change class. If it chooses a lower class, the country must announce such change to the Assembly at one of its ordinary sessions. Any such change shall take effect at the beginning of the calendar year following the said session.
  - (c) The annual contribution of each country shall be an amount in the same proportion to the total sum to be contributed to the budget of the Union by all countries as the number of its units is to the total of the units of all contributing countries.
  - (d) Contributions shall become due on the first of January of each year.

- (e) A country which is in arrears in the payment of its contributions may not exercise its right to vote in any of the organs of the Union of which it is a member if the amount of its arrears equals or exceeds the amount of the contributions due from it for the preceding two full years. However, any organ of the Union may allow such a country to continue to exercise its right to vote in that organ if, and as long as, it is satisfied that the delay in payment is due to exceptional and unavoidable circumstances.
  - (f) If the budget is not adopted before the beginning of a new financial period, it shall be at the same level as the budget of the previous year, as provided in the financial regulations.
- (5) The amount of the fees and charges due for services rendered by the International Bureau in relation to the Union shall be established, and shall be reported to the Assembly and the Executive Committee, by the Director General.
- (6)
- (a) The Union shall have a working capital fund which shall be constituted by a single payment made by each country of the Union. If the fund becomes insufficient, the Assembly shall decide to increase it.
  - (b) The amount of the initial payment of each country to the said fund or of its participation in the increase thereof shall be a proportion of the contribution of that country for the year in which the fund is established or the decision to increase it is made.
  - (c) The proportion and the terms of payment shall be fixed by the Assembly on the proposal of the Director General and after it has heard the advice of the Coordination Committee of the Organization.
- (7)
- (a) In the headquarters agreement concluded with the country on the territory of which the Organization has its headquarters, it shall be provided that, whenever the working capital fund is insufficient, such country shall grant advances. The amount of these advances and the conditions on which they are granted shall be the subject of separate agreements, in each case, between such country and the Organization. As

long as it remains under the obligation to grant advances, such country shall have an ex officio seat on the Executive Committee.

- (b) The country referred to in subparagraph (a) and the Organization shall each have the right to denounce the obligation to grant advances, by written notification. Denunciation shall take effect three years after the end of the year in which it has been notified.
- (8) The auditing of the accounts shall be effected by one or more of the countries of the Union or by external auditors, as provided in the financial regulations. They shall be designated, with their agreement, by the Assembly.

### Article 17

[Amendment of Articles 13 to 17]

- (1) Proposals for the amendment of Articles 13, 14, 15, 16, and the present Article, may be initiated by any country member of the Assembly, by the Executive Committee, or by the Director General. Such proposals shall be communicated by the Director General to the member countries of the Assembly at least six months in advance of their consideration by the Assembly.
- (2) Amendments to the Articles referred to in paragraph (1) shall be adopted by the Assembly. Adoption shall require three-fourths of the votes cast, provided that any amendment to Article 13, and to the present paragraph, shall require four-fifths of the votes cast.
- (3) Any amendment to the Articles referred to in paragraph (1) shall enter into force one month after written notifications of acceptance, effected in accordance with their respective constitutional processes, have been received by the Director General from three-fourths of the countries members of the Assembly at the time it adopted the amendment. Any amendment to the said Articles thus accepted shall bind all the countries which are members of the Assembly at the time the amendment enters into force, or which become members thereof at a subsequent date, provided that any amendment increasing the financial obligations of countries of the Union shall bind only those countries which have notified their acceptance of such amendment.

**Article 18**

[Revision of Articles 1 to 12 and 18 to 30]

- (1) This Convention shall be submitted to revision with a view to the introduction of amendments designed to improve the system of the Union.
- (2) For that purpose, conferences shall be held successively in one of the countries of the Union among the delegates of the said countries.
- (3) Amendments to Articles 13 to 17 are governed by the provisions of Article 17.

**Article 19**

[Special Agreements]

It is understood that the countries of the Union reserve the right to make separately between themselves special agreements for the protection of industrial property, in so far as these agreements do not contravene the provisions of this Convention.

**Article 20**

[Ratification or Accession by Countries of the Union; Entry Into Force]

- (1)
  - (a) Any country of the Union which has signed this Act may ratify it, and, if it has not signed it, may accede to it. Instruments of ratification and accession shall be deposited with the Director General.
  - (b) Any country of the Union may declare in its instrument of ratification or accession that its ratification or accession shall not apply:
    - (i) to Articles 1 to 12, or
    - (ii) to Articles 13 to 17.
  - (c) Any country of the Union which, in accordance with subparagraph (b), has excluded from the effects of its ratification or accession one of the two groups of Articles referred to in that subparagraph may at any later time declare that it extends the effects of its ratification or accession to that group of Articles. Such declaration shall be deposited with the Director General.

(2)

- (a) Articles 1 to 12 shall enter into force, with respect to the first ten countries of the Union which have deposited instruments of ratification or accession without making the declaration permitted under paragraph (1)(b)(i), three months after the deposit of the tenth such instrument of ratification or accession.
  - (b) Articles 13 to 17 shall enter into force, with respect to the first ten countries of the Union which have deposited instruments of ratification or accession without making the declaration permitted under paragraph (1)(b)(ii), three months after the deposit of the tenth such instrument of ratification or accession.
  - (c) Subject to the initial entry into force, pursuant to the provisions of subparagraphs (a) and (b), of each of the two groups of Articles referred to in paragraph (1)(b)(i) and (ii), and subject to the provisions of paragraph (1)(b), Articles 1 to 17 shall, with respect to any country of the Union, other than those referred to in subparagraphs (a) and (b), which deposits an instrument of ratification or accession or any country of the Union which deposits a declaration pursuant to paragraph (1)(c), enter into force three months after the date of notification by the Director General of such deposit, unless a subsequent date has been indicated in the instrument or declaration deposited. In the latter case, this Act shall enter into force with respect to that country on the date thus indicated.
- (3) With respect to any country of the Union which deposits an instrument of ratification or accession, Articles 18 to 30 shall enter into force on the earlier of the dates on which any of the groups of Articles referred to in paragraph (1)(b) enters into force with respect to that country pursuant to paragraph (2)(a), (b), or (c).

## Article 21

[Accession by Countries Outside the Union; Entry Into Force]

- (1) Any country outside the Union may accede to this Act and thereby become a member of the Union. Instruments of accession shall be deposited with the Director General.

(2)

(a) With respect to any country outside the Union which deposits its instrument of accession one month or more before the date of entry into force of any provisions of the present Act, this Act shall enter into force, unless a subsequent date has been indicated in the instrument of accession, on the date upon which provisions first enter into force pursuant to Article 20(2)(a) or (b); provided that:

- (i) if Articles 1 to 12 do not enter into force on that date, such country shall, during the interim period before the entry into force of such provisions, and in substitution therefor, be bound by Articles 1 to 12 of the Lisbon Act,
- (ii) if Articles 13 to 17 do not enter into force on that date, such country shall, during the interim period before the entry into force of such provisions, and in substitution therefor, be bound by Articles 13 and 14(3), (4), and (5), of the Lisbon Act.

If a country indicates a subsequent date in its instrument of accession, this Act shall enter into force with respect to that country on the date thus indicated.

(b) With respect to any country outside the Union which deposits its instrument of accession on a date which is subsequent to, or precedes by less than one month, the entry into force of one group of Articles of the present Act, this Act shall, subject to the proviso of subparagraph (a), enter into force three months after the date on which its accession has been notified by the Director General, unless a subsequent date has been indicated in the instrument of accession. In the latter case, this Act shall enter into force with respect to that country on the date thus indicated.

(3) With respect to any country outside the Union which deposits its instrument of accession after the date of entry into force of the present Act in its entirety, or less than one month before such date, this Act shall enter into force three months after the date on which its accession has been notified by the Director General, unless a subsequent date has been indicated in the instrument of accession. In the latter case, this Act shall enter into force with respect to that country on the date thus indicated.

## **Article 22**

[Consequences of Ratification or Accession]

Subject to the possibilities of exceptions provided for in Articles 20(1) (b) and 28(2), ratification or accession shall automatically entail acceptance of all the clauses and admission to all the advantages of this Act.

## **Article 23**

[Accession to Earlier Acts]

After the entry into force of this Act in its entirety, a country may not accede to earlier Acts of this Convention.

## **Article 24**

[Territories]

- (1) Any country may declare in its instrument of ratification or accession, or may inform the Director General by written notification any time thereafter, that this Convention shall be applicable to all or part of those territories, designated in the declaration or notification, for the external relations of which it is responsible.
- (2) Any country which has made such a declaration or given such a notification may, at any time, notify the Director General that this Convention shall cease to be applicable to all or part of such territories.
- (3)
  - (a) Any declaration made under paragraph (1) shall take effect on the same date as the ratification or accession in the instrument of which it was included, and any notification given under such paragraph shall take effect three months after its notification by the Director General.
  - (b) Any notification given under paragraph (2) shall take effect twelve months after its receipt by the Director General.

## **Article 25**

[Implementation of the Convention on the Domestic Level]

- (1) Any country party to this Convention undertakes to adopt, in accordance with its constitution, the measures necessary to ensure the application of this Convention.



- (2) It is understood that, at the time a country deposits its instrument of ratification or accession, it will be in a position under its domestic law to give effect to the provisions of this Convention.

## Article 26

### [Denunciation]

- (1) This Convention shall remain in force without limitation as to time.
- (2) Any country may denounce this Act by notification addressed to the Director General. Such denunciation shall constitute also denunciation of all earlier Acts and shall affect only the country making it, the Convention remaining in full force and effect as regards the other countries of the Union.
- (3) Denunciation shall take effect one year after the day on which the Director General has received the notification.
- (4) The right of denunciation provided by this Article shall not be exercised by any country before the expiration of five years from the date upon which it becomes a member of the Union.

## Article 27

### [Application of Earlier Acts]

- (1) The present Act shall, as regards the relations between the countries to which it applies, and to the extent that it applies, replace the Convention of Paris of March 20, 1883 and the subsequent Acts of revision.
- (2)
  - (a) As regards the countries to which the present Act does not apply, or does not apply in its entirety, but to which the Lisbon Act of October 31, 1958, applies, the latter shall remain in force in its entirety or to the extent that the present Act does not replace it by virtue of paragraph (1).
  - (b) Similarly, as regards the countries to which neither the present Act, nor portions thereof, nor the Lisbon Act applies, the London Act of June 2, 1934, shall remain in force in its entirety or to the extent that the present Act does not replace it by virtue of paragraph (1).

- (c) Similarly, as regards the countries to which neither the present Act, nor portions thereof, nor the Lisbon Act, nor the London Act applies, the Hague Act of November 6, 1925, shall remain in force in its entirety or to the extent that the present Act does not replace it by virtue of paragraph (1).
- (3) Countries outside the Union which become party to this Act shall apply it with respect to any country of the Union not party to this Act or which, although party to this Act, has made a declaration pursuant to Article 20(1)(b)(i). Such countries recognize that the said country of the Union may apply, in its relations with them, the provisions of the most recent Act to which it is party.

## Article 28

### [Disputes]

- (1) Any dispute between two or more countries of the Union concerning the interpretation or application of this Convention, not settled by negotiation, may, by any one of the countries concerned, be brought before the International Court of Justice by application in conformity with the Statute of the Court, unless the countries concerned agree on some other method of settlement. The country bringing the dispute before the Court shall inform the International Bureau; the International Bureau shall bring the matter to the attention of the other countries of the Union.
- (2) Each country may, at the time it signs this Act or deposits its instrument of ratification or accession, declare that it does not consider itself bound by the provisions of paragraph (1). With regard to any dispute between such country and any other country of the Union, the provisions of paragraph (1) shall not apply.
- (3) Any country having made a declaration in accordance with the provisions of paragraph (2) may, at any time, withdraw its declaration by notification addressed to the Director General.

## Article 29

### [Signature, Languages, Depositary Functions]

- (1)
  - (a) This Act shall be signed in a single copy in the French language and shall be deposited with the Government of Sweden.

- (b) Official texts shall be established by the Director General, after consultation with the interested Governments, in the English, German, Italian, Portuguese, Russian and Spanish languages, and such other languages as the Assembly may designate.
  - (c) In case of differences of opinion on the interpretation of the various texts, the French text shall prevail.
- (2) This Act shall remain open for signature at Stockholm until January 13, 1968.
  - (3) The Director General shall transmit two copies, certified by the Government of Sweden, of the signed text of this Act to the Governments of all countries of the Union and, on request, to the Government of any other country.
  - (4) The Director General shall register this Act with the Secretariat of the United Nations.
  - (5) The Director General shall notify the Governments of all countries of the Union of signatures, deposits of instruments of ratification or accession and any declarations included in such instruments or made pursuant to Article 20(1)(c), entry into force of any provisions of this Act, notifications of denunciation, and notifications pursuant to Article 24.

### Article 30

#### [Transitional Provisions]

- (1) Until the first Director General assumes office, references in this Act to the International Bureau of the Organization or to the Director General shall be deemed to be references to the Bureau of the Union or its Director, respectively.
- (2) Countries of the Union not bound by Articles 13 to 17 may, until five years after the entry into force of the Convention establishing the Organization, exercise, if they so desire, the rights provided under Articles 13 to 17 of this Act as if they were bound by those Articles. Any country desiring to exercise such rights shall give written notification to that effect to the Director General; such notification shall be effective from the date of its receipt. Such countries shall be deemed to be members of the Assembly until the expiration of the said period.

- (3) As long as all the countries of the Union have not become Members of the Organization, the International Bureau of the Organization shall also function as the Bureau of the Union, and the Director General as the Director of the said Bureau.
- (4) Once all the countries of the Union have become Members of the Organization, the rights, obligations, and property, of the Bureau of the Union shall devolve on the International Bureau of the Organization.

### **Summary of the Paris Convention for the Protection of Industrial Property (1883)**

The Convention was concluded in 1883 in Paris (France) to ensure the security of intellectual creativity (Patents, Trademarks, Industrial Designs, Utility Models, Service Marks, Trade Names, Geographical Indications and the repression of unfair competition) at the international level. Since its inception, it has been amended seven times. As of now, this Convention has 177 contracting countries (including India). The main features of the Convention are:

**National Treatment** - Every signatory country will extend the same protection to the industrial property of the rest of the signatory countries as they provide to their nationals. Moreover, the nationals of non-contracting countries having the industrial establishment or are the domicile of any contracting country will also be entitled to the same treatment.

**Right of Priority** - This provision facilitates inventors with the priority date of the invention/creation. If an applicant files a patent application in his country, which is a signatory of the Convention, he can file the same invention in another contracting country by claiming the same priority date. The application should be filed within twelve months for patents and six months for Industrial Designs and Trademarks. The application will be considered as it was filed on the very same day as the first application. Because of the 'right of priority' the inventor gets ample time to decide where his invention should be protected so that he can get maximum advantages out of its commercialization.

**Common Rules** - This Treaty has put in place certain common rules related to industrial property in all the contracting countries. The prominent common rules are:

**Patents** - Patent granted (or rejected) in one contracting party is independent of its fate (acceptance/rejection) in other contracting

countries i.e. Patent granted in one contracting country may be rejected in other contracting countries and vice versa.

As per TRIPS Agreement, a nation can opt for –Compulsory Licensing of a Patent in case of a national emergency.

**Trademarks** - The regulations of Trademarks in the respective signatory country is regulated as per the legislation of that signatory (contracting) country. These are not regulated under Paris Convention, but the acceptance and rejection of the Trademarks vary among contracting countries. However, the registration of the mark cannot be invalidated on the basis that the filing, registration or renewal has not been made in the originating country of the mark.

**Industrial Designs** - The protection of Industrial Design will be given in each contracting country and will not be rejected because it is not created in that respective country.

**Indication of Source** - The indication of source or GI of goods must be protected in each country and the unauthorized distribution must be prohibited to safeguard the rights of creators, producers and traders.

WIPO has created dedicated Unions to look after the activities pertaining to respective Treaties/Agreements/Conventions. These Unions are authorized to take appropriate actions in accordance with the Treaties or Agreements or Conventions to promote IP, technology transfer, budgeting, and many more programmes/ activities. The members of the Unions are chosen from all the State parties of a particular Treaty/ Agreement/Convention.

The Paris Union takes care of the activities of the Paris Convention (1883). The activities (biennial programmes, budgeting, etc.) are performed by an Assembly and an Executive Committee. This Committee is chosen from the members of the Union, except for Switzerland, which is an *ex officio* member.

**Berne Convention  
for the Protection of Literary and Artistic Works  
Paris Act  
of July 24, 1971,  
as amended on  
September 28, 1979**

**Berne Convention  
for the Protection of Literary and Artistic Works  
of September 9, 1886,  
completed at PARIS on May 4, 1896,  
revised at BERLIN on November 13, 1908,  
completed at BERNE on March 20, 1914,  
revised at ROME on June 2, 1928,  
at BRUSSELS on June 26, 1948,  
at STOCKHOLM on July 14, 1967,  
and at PARIS on July 24, 1971,  
and amended on September 28, 1979**

The countries of the Union, being equally animated by the desire to protect, in as effective and uniform a manner as possible, the rights of authors in their literary and artistic works, Recognizing the importance of the work of the Revision Conference held at Stockholm in 1967, Have resolved to revise the Act adopted by the Stockholm Conference, while maintaining without change Articles 1 to 20 and 22 to 26 of that Act.

Consequently, the undersigned Plenipotentiaries, having presented their full powers, recognized as in good and due form, have agreed as follows:

#### **Article 1**

*[Establishment of a Union]*

The countries to which this Convention applies constitute a Union for the protection of the rights of authors in their literary and artistic works.

#### **Article 2**

*[Protected Works: 1. "Literary and artistic works"; 2. Possible requirement of fixation; 3. Derivative works; 4. Official texts; 5. Collections; 6. Obligation to protect; beneficiaries of protection; 7. Works of applied art and industrial designs; 8. News]*

- (1) The expression "literary and artistic works" shall include every production in the literary, scientific and artistic domain, whatever may be the mode or form of its expression, such as books, pamphlets and other writings; lectures, addresses, sermons and other works of the same nature; dramatic or dramaticomusical works; choreographic works and entertainments in dumb show; musical

compositions with or without words; cinematographic works to which are assimilated works expressed by a process analogous to cinematography; works of drawing, painting, architecture, sculpture, engraving and lithography; photographic works to which are assimilated works expressed by a process analogous to photography; works of applied art; illustrations, maps, plans, sketches and three-dimensional works relative to geography, topography, architecture or science.

- (2) It shall, however, be a matter for legislation in the countries of the Union to prescribe that works in general or any specified categories of works shall not be protected unless they have been fixed in some material form.
- (3) Translations, adaptations, arrangements of music and other alterations of a literary or artistic work shall be protected as original works without prejudice to the copyright in the original work.
- (4) It shall be a matter for legislation in the countries of the Union to determine the protection to be granted to official texts of a legislative, administrative and legal nature, and to official translations of such texts.
- (5) Collections of literary or artistic works such as encyclopaedias and anthologies which, by reason of the selection and arrangement of their contents, constitute intellectual creations shall be protected as such, without prejudice to the copyright in each of the works forming part of such collections.
- (6) The works mentioned in this Article shall enjoy protection in all countries of the Union. This protection shall operate for the benefit of the author and his successors in title.
- (7) Subject to the provisions of Article 7(4) of this Convention, it shall be a matter for legislation in the countries of the Union to determine the extent of the application of their laws to works of applied art and industrial designs and models, as well as the conditions under which such works, designs and models shall be protected. Works protected in the country of origin solely as designs and models shall be entitled in another country of the Union only to such special protection as is granted in that country to designs and models; however, if no such special protection is granted in that country, such works shall be protected as artistic works.



- (8) The protection of this Convention shall not apply to news of the day or to miscellaneous facts having the character of mere items of press information.

#### **Article 2<sup>bis</sup>**

[*Possible Limitation of Protection of Certain Works*: 1. Certain speeches; 2. Certain uses of lectures and addresses; 3. Right to make collections of such works]

- (1) It shall be a matter for legislation in the countries of the Union to exclude, wholly or in part, from the protection provided by the preceding Article political speeches and speeches delivered in the course of legal proceedings.
- (2) It shall also be a matter for legislation in the countries of the Union to determine the conditions under which lectures, addresses and other works of the same nature which are delivered in public may be reproduced by the press, broadcast, communicated to the public by wire and made the subject of public communication as envisaged in Article 11<sup>bis</sup>(1) of this Convention, when such use is justified by the informatory purpose.
- (3) Nevertheless, the author shall enjoy the exclusive right of making a collection of his works mentioned in the preceding paragraphs.

#### **Article 3**

[*Criteria of Eligibility for Protection*: 1. Nationality of author; place of publication of work; 2. Residence of author; 3. "Published" works; 4. "Simultaneously published" works]

- (1) The protection of this Convention shall apply to:
  - (a) authors who are nationals of one of the countries of the Union, for their works, whether published or not;
  - (b) authors who are not nationals of one of the countries of the Union, for their works first published in one of those countries, or simultaneously in a country outside the Union and in a country of the Union.
- (2) Authors who are not nationals of one of the countries of the Union but who have their habitual residence in one of them shall, for the purposes of this Convention, be assimilated to nationals of that country.



- (3) The expression “published works” means works published with the consent of their authors, whatever may be the means of manufacture of the copies, provided that the availability of such copies has been such as to satisfy the reasonable requirements of the public, having regard to the nature of the work. The performance of a dramatic, dramatico-musical, cinematographic or musical work, the public recitation of a literary work, the communication by wire or the broadcasting of literary or artistic works, the exhibition of a work of art and the construction of a work of architecture shall not constitute publication.
- (4) A work shall be considered as having been published simultaneously in several countries if it has been published in two or more countries within thirty days of its first publication.

#### Article 4

*[Criteria of Eligibility for Protection of Cinematographic Works, Works of Architecture and Certain Artistic Works]*

The protection of this Convention shall apply, even if the conditions of Article 3 are not fulfilled, to:

- (a) authors of cinematographic works the maker of which has his headquarters or habitual residence in one of the countries of the Union;
- (b) authors of works of architecture erected in a country of the Union or of other artistic works incorporated in a building or other structure located in a country of the Union.

#### Article 5

*[Rights Guaranteed: 1. and 2. Outside the country of origin; 3. In the country of origin; 4. “Country of origin”]*

- (1) Authors shall enjoy, in respect of works for which they are protected under this Convention, in countries of the Union other than the country of origin, the rights which their respective laws do now or may hereafter grant to their nationals, as well as the rights specially granted by this Convention.
- (2) The enjoyment and the exercise of these rights shall not be subject to any formality; such enjoyment and such exercise shall be independent of the existence of protection in the country of

origin of the work. Consequently, apart from the provisions of this Convention, the extent of protection, as well as the means of redress afforded to the author to protect his rights, shall be governed exclusively by the laws of the country where protection is claimed.

- (3) Protection in the country of origin is governed by domestic law. However, when the author is not a national of the country of origin of the work for which he is protected under this Convention, he shall enjoy in that country the same rights as national authors.
- (4) The country of origin shall be considered to be:
  - (a) in the case of works first published in a country of the Union, that country; in the case of works published simultaneously in several countries of the Union which grant different terms of protection, the country whose legislation grants the shortest term of protection;
  - (b) in the case of works published simultaneously in a country outside the Union and in a country of the Union, the latter country;
  - (c) in the case of unpublished works or of works first published in a country outside the Union, without simultaneous publication in a country of the Union, the country of the Union of which the author is a national, provided that:
    - (i) when these are cinematographic works the maker of which has his headquarters or his habitual residence in a country of the Union, the country of origin shall be that country, and
    - (ii) when these are works of architecture erected in a country of the Union or other artistic works incorporated in a building or other structure located in a country of the Union, the country of origin shall be that country.

## Article 6

*[Possible Restriction of Protection in Respect of Certain Works of Nationals of Certain Countries Outside the Union: 1. In the country of the first publication and in other countries; 2. No retroactivity; 3. Notice]*

- (1) Where any country outside the Union fails to protect in an adequate manner the works of authors who are nationals of one of the countries of the Union, the latter country may restrict the

protection given to the works of authors who are, at the date of the first publication thereof, nationals of the other country and are not habitually resident in one of the countries of the Union. If the country of first publication avails itself of this right, the other countries of the Union shall not be required to grant to works thus subjected to special treatment a wider protection than that granted to them in the country of first publication.

- (2) No restrictions introduced by virtue of the preceding paragraph shall affect the rights which an author may have acquired in respect of a work published in a country of the Union before such restrictions were put into force.
- (3) The countries of the Union which restrict the grant of copyright in accordance with this Article shall give notice thereof to the Director General of the World Intellectual Property Organization (hereinafter designated as "the Director General") by a written declaration specifying the countries in regard to which protection is restricted, and the restrictions to which rights of authors who are nationals of those countries are subjected. The Director General shall immediately communicate this declaration to all the countries of the Union.

#### Article 6<sup>bis</sup>

[*Moral Rights*: 1. To claim authorship; to object to certain modifications and other derogatory actions; 2. After the author's death; 3. Means of redress]

- (1) Independently of the author's economic rights, and even after the transfer of the said rights, the author shall have the right to claim authorship of the work and to object to any distortion, mutilation or other modification of, or other derogatory action in relation to, the said work, which would be prejudicial to his honor or reputation.
- (2) The rights granted to the author in accordance with the preceding paragraph shall, after his death, be maintained, at least until the expiry of the economic rights, and shall be exercisable by the persons or institutions authorized by the legislation of the country where protection is claimed. However, those countries whose legislation, at the moment of their ratification of or accession to this Act, does not provide for the protection after the death of the

author of all the rights set out in the preceding paragraph may provide that some of these rights may, after his death, cease to be maintained.

- (3) The means of redress for safeguarding the rights granted by this Article shall be governed by the legislation of the country where protection is claimed.

## Article 7

[*Term of Protection:* 1. Generally; 2. For cinematographic works; 3. For anonymous and pseudonymous works; 4. For photographic works and works of applied art; 5. Starting date of computation; 6. Longer terms; 7. Shorter terms; 8. Applicable law; “comparison” of terms]

- (1) The term of protection granted by this Convention shall be the life of the author and fifty years after his death.
- (2) However, in the case of cinematographic works, the countries of the Union may provide that the term of protection shall expire fifty years after the work has been made available to the public with the consent of the author, or, failing such an event within fifty years from the making of such a work, fifty years after the making.
- (3) In the case of anonymous or pseudonymous works, the term of protection granted by this Convention shall expire fifty years after the work has been lawfully made available to the public. However, when the pseudonym adopted by the author leaves no doubt as to his identity, the term of protection shall be that provided in paragraph (1). If the author of an anonymous or pseudonymous work discloses his identity during the above-mentioned period, the term of protection applicable shall be that provided in paragraph (1). The countries of the Union shall not be required to protect anonymous or pseudonymous works in respect of which it is reasonable to presume that their author has been dead for fifty years.
- (4) It shall be a matter for legislation in the countries of the Union to determine the term of protection of photographic works and that of works of applied art in so far as they are protected as artistic works; however, this term shall last at least until the end of a period of twenty-five years from the making of such a work.

- (5) The term of protection subsequent to the death of the author and the terms provided by paragraphs (2), (3) and (4) shall run from the date of death or of the event referred to in those paragraphs, but such terms shall always be deemed to begin on the first of January of the year following the death or such event.
- (6) The countries of the Union may grant a term of protection in excess of those provided by the preceding paragraphs.
- (7) Those countries of the Union bound by the Rome Act of this Convention which grant, in their national legislation in force at the time of signature of the present Act, shorter terms of protection than those provided for in the preceding paragraphs shall have the right to maintain such terms when ratifying or acceding to the present Act.
- (8) In any case, the term shall be governed by the legislation of the country where protection is claimed; however, unless the legislation of that country otherwise provides, the term shall not exceed the term fixed in the country of origin of the work.

#### **Article 7<sup>bis</sup>**

##### *[Term of Protection for Works of Joint Authorship]*

The provisions of the preceding Article shall also apply in the case of a work of joint authorship,

provided that the terms measured from the death of the author shall be calculated from the death of the last surviving author.

#### **Article 8**

##### *[Right of Translation]*

Authors of literary and artistic works protected by this Convention shall enjoy the exclusive right of making and of authorizing the translation of their works throughout the term of protection of their rights in the original works.

#### **Article 9**

*[Right of Reproduction: 1. Generally; 2. Possible exceptions; 3. Sound and visual recordings]*

- (1) Authors of literary and artistic works protected by this Convention shall have the exclusive right of authorizing the reproduction of these works, in any manner or form.
- (2) It shall be a matter for legislation in the countries of the Union to permit the reproduction of such works in certain special cases, provided that such reproduction does not conflict with a normal exploitation of the work and does not unreasonably prejudice the legitimate interests of the author.
- (3) Any sound or visual recording shall be considered as a reproduction for the purposes of this Convention.

#### **Article 10**

[*Certain Free Uses of Works*: 1. Quotations; 2. Illustrations for teaching; 3. Indication of source and author]

- (1) It shall be permissible to make quotations from a work which has already been lawfully made available to the public, provided that their making is compatible with fair practice, and their extent does not exceed that justified by the purpose, including quotations from newspaper articles and periodicals in the form of press summaries.
- (2) It shall be a matter for legislation in the countries of the Union, and for special agreements existing or to be concluded between them, to permit the utilization, to the extent justified by the purpose, of literary or artistic works by way of illustration in publications, broadcasts or sound or visual recordings for teaching, provided such utilization is compatible with fair practice.
- (3) Where use is made of works in accordance with the preceding paragraphs of this Article, mention shall be made of the source, and of the name of the author if it appears thereon.

#### **Article 10<sup>bis</sup>**

[*Further Possible Free Uses of Works*: 1. Of certain articles and broadcast works; 2. Of works seen or heard in connection with current events]

- (1) It shall be a matter for legislation in the countries of the Union to permit the reproduction by the press, the broadcasting or the communication to the public by wire of articles published in newspapers or periodicals on current economic, political or

religious topics, and of broadcast works of the same character, in cases in which the reproduction, broadcasting or such communication thereof is not expressly reserved. Nevertheless, the source must always be clearly indicated; the legal consequences of a breach of this obligation shall be determined by the legislation of the country where protection is claimed.

- (2) It shall also be a matter for legislation in the countries of the Union to determine the conditions under which, for the purpose of reporting current events by means of photography, cinematography, broadcasting or communication to the public by wire, literary or artistic works seen or heard in the course of the event may, to the extent justified by the informatory purpose, be reproduced and made available to the public.

### Article 11

[*Certain Rights in Dramatic and Musical Works*: 1. Right of public performance and of communication to the public of a performance; 2. In respect of translations]

- (1) Authors of dramatic, dramatico-musical and musical works shall enjoy the exclusive right of authorizing:
  - (i) the public performance of their works, including such public performance by any means or process;
  - (ii) any communication to the public of the performance of their works.
- (2) Authors of dramatic or dramatico-musical works shall enjoy, during the full term of their rights in the original works, the same rights with respect to translations thereof.

### Article 11<sup>bis</sup>

[*Broadcasting and Related Rights*: 1. Broadcasting and other wireless communications, public communication of broadcast by wire or rebroadcast, public communication of broadcast by loudspeaker or analogous instruments; 2. Compulsory licenses; 3. Recording; ephemeral recordings]

- (1) Authors of literary and artistic works shall enjoy the exclusive right of authorizing:
  - (i) the broadcasting of their works or the communication thereof to the public by any other means of wireless diffusion of signs, sounds or images;



- (ii) any communication to the public by wire or by rebroadcasting of the broadcast of the work, when this communication is made by an organization other than the original one;
  - (iii) the public communication by loudspeaker or any other analogous instrument transmitting, by signs, sounds or images, the broadcast of the work.
- (2) It shall be a matter for legislation in the countries of the Union to determine the conditions under which the rights mentioned in the preceding paragraph may be exercised, but these conditions shall apply only in the countries where they have been prescribed. They shall not in any circumstances be prejudicial to the moral rights of the author, nor to his right to obtain equitable remuneration which, in the absence of agreement, shall be fixed by competent authority.
- (3) In the absence of any contrary stipulation, permission granted in accordance with paragraph (1) of this Article shall not imply permission to record, by means of instruments recording sounds or images, the work broadcast. It shall, however, be a matter for legislation in the countries of the Union to determine the regulations for ephemeral recordings made by a broadcasting organization by means of its own facilities and used for its own broadcasts. The preservation of these recordings in official archives may, on the ground of their exceptional documentary character, be authorized by such legislation.

#### **Article 11<sup>ter</sup>**

[*Certain Rights in Literary Works*: 1. Right of public recitation and of communication to the public of a recitation; 2. In respect of translations]

- (1) Authors of literary works shall enjoy the exclusive right of authorizing:
  - (i) the public recitation of their works, including such public recitation by any means or process;
  - (ii) any communication to the public of the recitation of their works.
- (2) Authors of literary works shall enjoy, during the full term of their rights in the original works, the same rights with respect to translations thereof.



## Article 12

*[Right of Adaptation, Arrangement and Other Alteration]*

Authors of literary or artistic works shall enjoy the exclusive right of authorizing adaptations, arrangements and other alterations of their works.

## Article 13

*[Possible Limitation of the Right of Recording of Musical Works and Any Words Pertaining Thereto: 1. Compulsory licenses; 2. Transitory measures; 3. Seizure on importation of copies made without the author's permission]*

- (1) Each country of the Union may impose for itself reservations and conditions on the exclusive right granted to the author of a musical work and to the author of any words, the recording of which together with the musical work has already been authorized by the latter, to authorize the sound recording of that musical work, together with such words, if any; but all such reservations and conditions shall apply only in the countries which have imposed them and shall not, in any circumstances, be prejudicial to the rights of these authors to obtain equitable remuneration which, in the absence of agreement, shall be fixed by competent authority.
- (2) Recordings of musical works made in a country of the Union in accordance with Article 13(3) of the Conventions signed at Rome on June 2, 1928, and at Brussels on June 26, 1948, may be reproduced in that country without the permission of the author of the musical work until a date two years after that country becomes bound by this Act.
- (3) Recordings made in accordance with paragraphs (1) and (2) of this Article and imported without permission from the parties concerned into a country where they are treated as infringing recordings shall be liable to seizure.

## Article 14

*[Cinematographic and Related Rights: 1. Cinematographic adaptation and reproduction; distribution; public performance and public communication by wire of works thus adapted or reproduced; 2. Adaptation of cinematographic productions; 3. No compulsory licenses]*

- (1) Authors of literary or artistic works shall have the exclusive right of authorizing:
  - (i) the cinematographic adaptation and reproduction of these works, and the distribution of the works thus adapted or reproduced;
  - (ii) the public performance and communication to the public by wire of the works thus adapted or reproduced.
- (2) The adaptation into any other artistic form of a cinematographic production derived from literary or artistic works shall, without prejudice to the authorization of the author of the cinematographic production, remain subject to the authorization of the authors of the original works.
- (3) The provisions of Article 13(1) shall not apply.

**Article 14<sup>bis</sup>**

[*Special Provisions Concerning Cinematographic Works*: 1. Assimilation to “original” works; 2. Ownership; limitation of certain rights of certain contributors; 3. Certain other contributors]

- (1) Without prejudice to the copyright in any work which may have been adapted or reproduced, a cinematographic work shall be protected as an original work. The owner of copyright in a cinematographic work shall enjoy the same rights as the author of an original work, including the rights referred to in the preceding Article.
- (2)
  - (a) Ownership of copyright in a cinematographic work shall be a matter for legislation in the country where protection is claimed.
  - (b) However, in the countries of the Union which, by legislation, include among the owners of copyright in a cinematographic work authors who have brought contributions to the making of the work, such authors, if they have undertaken to bring such contributions, may not, in the absence of any contrary or special stipulation, object to the reproduction, distribution, public performance, communication to the public by wire, broadcasting or any other communication to the public, or to the subtitling or dubbing of texts, of the work.

- (c) The question whether or not the form of the undertaking referred to above should, for the application of the preceding subparagraph (b), be in a written agreement or a written act of the same effect shall be a matter for the legislation of the country where the maker of the cinematographic work has his headquarters or habitual residence. However, it shall be a matter for the legislation of the country of the Union where protection is claimed to provide that the said undertaking shall be in a written agreement or a written act of the same effect. The countries whose legislation so provides shall notify the Director General by means of a written declaration, which will be immediately communicated by him to all the other countries of the Union.
- (d) By “contrary or special stipulation” is meant any restrictive condition which is relevant to the aforesaid undertaking.
- (3) Unless the national legislation provides to the contrary, the provisions of paragraph (2)(b) above shall not be applicable to authors of scenarios, dialogues and musical works created for the making of the cinematographic work, or to the principal director thereof. However, those countries of the Union whose legislation does not contain rules providing for the application of the said paragraph (2)(b) to such director shall notify the Director General by means of a written declaration, which will be immediately communicated by him to all the other countries of the Union.

#### Article 14<sup>ter</sup>

[“*Droit de suite*” in Works of Art and Manuscripts: 1. Right to an interest in resales; 2. Applicable law; 3. Procedure]

- (1) The author, or after his death the persons or institutions authorized by national legislation, shall, with respect to original works of art and original manuscripts of writers and composers, enjoy the inalienable right to an interest in any sale of the work subsequent to the first transfer by the author of the work.
- (2) The protection provided by the preceding paragraph may be claimed in a country of the Union only if legislation in the country to which the author belongs so permits, and to the extent permitted by the country where this protection is claimed.

- (3) The procedure for collection and the amounts shall be matters for determination by national legislation.

#### Article 15

[*Right to Enforce Protected Rights*: 1. Where author's name is indicated or where pseudonym leaves no doubt as to author's identity; 2. In the case of cinematographic works; 3. In the case of anonymous and pseudonymous works; 4. In the case of certain unpublished works of unknown authorship]

- (1) In order that the author of a literary or artistic work protected by this Convention shall, in the absence of proof to the contrary, be regarded as such, and consequently be entitled to institute infringement proceedings in the countries of the Union, it shall be sufficient for his name to appear on the work in the usual manner. This paragraph shall be applicable even if this name is a pseudonym, where the pseudonym adopted by the author leaves no doubt as to his identity.
- (2) The person or body corporate whose name appears on a cinematographic work in the usual manner shall, in the absence of proof to the contrary, be presumed to be the maker of the said work.
- (3) In the case of anonymous and pseudonymous works, other than those referred to in paragraph (1) above, the publisher whose name appears on the work shall, in the absence of proof to the contrary, be deemed to represent the author, and in this capacity he shall be entitled to protect and enforce the author's rights. The provisions of this paragraph shall cease to apply when the author reveals his identity and establishes his claim to authorship of the work.
- (4)
  - (a) In the case of unpublished works where the identity of the author is unknown, but where there is every ground to presume that he is a national of a country of the Union, it shall be a matter for legislation in that country to designate the competent authority which shall represent the author and shall be entitled to protect and enforce his rights in the countries of the Union.
  - (b) Countries of the Union which make such designation under the terms of this provision shall notify the Director General

by means of a written declaration giving full information concerning the authority thus designated. The Director General shall at once communicate this declaration to all other countries of the Union.

#### Article 16

[*Infringing Copies: 1. Seizure; 2. Seizure on importation; 3. Applicable law*]

- (1) Infringing copies of a work shall be liable to seizure in any country of the Union where the work enjoys legal protection.
- (2) The provisions of the preceding paragraph shall also apply to reproductions coming from a country where the work is not protected, or has ceased to be protected.
- (3) The seizure shall take place in accordance with the legislation of each country.

#### Article 17

[*Possibility of Control of Circulation, Presentation and Exhibition of Works*]

The provisions of this Convention cannot in any way affect the right of the Government of each country of the Union to permit, to control, or to prohibit, by legislation or regulation, the circulation, presentation, or exhibition of any work or production in regard to which the competent authority may find it necessary to exercise that right.

#### Article 18

[*Works Existing on Convention's Entry Into Force: 1. Protectable where protection not yet expired in country of origin; 2. Non-protectable where protection already expired in country where it is claimed; 3. Application of these principles; 4. Special cases*]

- (1) This Convention shall apply to all works which, at the moment of its coming into force, have not yet fallen into the public domain in the country of origin through the expiry of the term of protection.
- (2) If, however, through the expiry of the term of protection which was previously granted, a work has fallen into the public domain of the country where protection is claimed, that work shall not be protected anew.

- (3) The application of this principle shall be subject to any provisions contained in special conventions to that effect existing or to be concluded between countries of the Union. In the absence of such provisions, the respective countries shall determine, each in so far as it is concerned, the conditions of application of this principle.
- (4) The preceding provisions shall also apply in the case of new accessions to the Union and to cases in which protection is extended by the application of Article 7 or by the abandonment of reservations.

### **Article 19**

*[Protection Greater than Resulting from Convention]*

The provisions of this Convention shall not preclude the making of a claim to the benefit of any greater protection which may be granted by legislation in a country of the Union.

### **Article 20**

*[Special Agreements Among Countries of the Union]*

The Governments of the countries of the Union reserve the right to enter into special agreements among themselves, in so far as such agreements grant to authors more extensive rights than those granted by the Convention, or contain other provisions not contrary to this Convention. The provisions of existing agreements which satisfy these conditions shall remain applicable.

### **Article 21**

*[Special Provisions Regarding Developing Countries: 1. Reference to Appendix; 2. Appendix part of Act]*

- (1) Special provisions regarding developing countries are included in the Appendix.
- (2) Subject to the provisions of Article 28(1)(b), the Appendix forms an integral part of this Act.

### **Article 22**

*[Assembly: 1. Constitution and composition; 2. Tasks; 3. Quorum, voting, observers; 4. Convocation; 5. Rules of procedure]*

(1)

- (a) The Union shall have an Assembly consisting of those countries of the Union which are bound by Articles 22 to 26.
- (b) The Government of each country shall be represented by one delegate, who may be assisted by alternate delegates, advisors, and experts.
- (c) The expenses of each delegation shall be borne by the Government which has appointed it.

(2)

- (a) The Assembly shall:
  - (i) deal with all matters concerning the maintenance and development of the Union and the implementation of this Convention;
  - (ii) give directions concerning the preparation for conferences of revision to the International Bureau of Intellectual Property (hereinafter designated as "the International Bureau") referred to in the Convention Establishing the World Intellectual Property Organization (hereinafter designated as "the Organization"), due account being taken of any comments made by those countries of the Union which are not bound by Articles 22 to 26;
  - (iii) review and approve the reports and activities of the Director General of the Organization concerning the Union, and give him all necessary instructions concerning matters within the competence of the Union;
  - (iv) elect the members of the Executive Committee of the Assembly;
  - (v) review and approve the reports and activities of its Executive Committee, and give instructions to such Committee;
  - (vi) determine the program and adopt the biennial budget of the Union, and approve its final accounts;
  - (vii) adopt the financial regulations of the Union;
  - (viii) establish such committees of experts and working groups as may be necessary for the work of the Union;

- (ix) determine which countries not members of the Union and which intergovernmental and international non-governmental organizations shall be admitted to its meetings as observers;
  - (x) adopt amendments to Articles 22 to 26;
  - (xi) take any other appropriate action designed to further the objectives of the Union;
  - (xii) exercise such other functions as are appropriate under this Convention;
  - (xiii) subject to its acceptance, exercise such rights as are given to it in the Convention establishing the Organization.
- (b) With respect to matters which are of interest also to other Unions administered by the Organization, the Assembly shall make its decisions after having heard the advice of the Coordination Committee of the Organization.
- (3)
- (a) Each country member of the Assembly shall have one vote.
  - (b) One-half of the countries members of the Assembly shall constitute a quorum.
  - (c) Notwithstanding the provisions of subparagraph (b), if, in any session, the number of countries represented is less than one-half but equal to or more than one-third of the countries members of the Assembly, the Assembly may make decisions but, with the exception of decisions concerning its own procedure, all such decisions shall take effect only if the following conditions are fulfilled. The International Bureau shall communicate the said decisions to the countries members of the Assembly which were not represented and shall invite them to express in writing their vote or abstention within a period of three months from the date of the communication. If, at the expiration of this period, the number of countries having thus expressed their vote or abstention attains the number of countries which was lacking for attaining the quorum in the session itself, such decisions shall take effect provided that at the same time the required majority still obtains.



- (d) Subject to the provisions of Article 26(2), the decisions of the Assembly shall require two-thirds of the votes cast.
  - (e) Abstentions shall not be considered as votes.
  - (f) A delegate may represent, and vote in the name of, one country only.
  - (g) Countries of the Union not members of the Assembly shall be admitted to its meetings as observers.
- (4)
- (a) The Assembly shall meet once in every second calendar year in ordinary session upon convocation by the Director General and, in the absence of exceptional circumstances, during the same period and at the same place as the General Assembly of the Organization.
  - (b) The Assembly shall meet in extraordinary session upon convocation by the Director General, at the request of the Executive Committee or at the request of one-fourth of the countries members of the Assembly.
- (5) The Assembly shall adopt its own rules of procedure.

### Article 23

[*Executive Committee*: 1. Constitution; 2. Composition; 3. Number of members; 4. Geographical distribution; special agreements; 5. Term, limits of re-eligibility, rules of election; 6. Tasks; 7. Convocation; 8. Quorum, voting; 9. Observers; 10. Rules of procedure]

- (1) The Assembly shall have an Executive Committee.
- (2)
  - (a) The Executive Committee shall consist of countries elected by the Assembly from among countries members of the Assembly. Furthermore, the country on whose territory the Organization has its headquarters shall, subject to the provisions of Article 25(7)(b), have an ex officio seat on the Committee.
  - (b) The Government of each country member of the Executive Committee shall be represented by one delegate, who may be assisted by alternate delegates, advisors, and experts.
  - (c) The expenses of each delegation shall be borne by the Government which has appointed it.

- (3) The number of countries members of the Executive Committee shall correspond to one-fourth of the number of countries members of the Assembly. In establishing the number of seats to be filled, remainders after division by four shall be disregarded.
- (4) In electing the members of the Executive Committee, the Assembly shall have due regard to an equitable geographical distribution and to the need for countries party to the Special Agreements which might be established in relation with the Union to be among the countries constituting the Executive Committee.
- (5)
  - (a) Each member of the Executive Committee shall serve from the close of the session of the Assembly which elected it to the close of the next ordinary session of the Assembly.
  - (b) Members of the Executive Committee may be re-elected, but not more than two-thirds of them.
  - (c) The Assembly shall establish the details of the rules governing the election and possible reelection of the members of the Executive Committee.
- (6)
  - (a) The Executive Committee shall:
    - (i) prepare the draft agenda of the Assembly;
    - (ii) submit proposals to the Assembly respecting the draft program and biennial budget of the Union prepared by the Director General;
    - (iii) *[deleted]*
    - (iv) submit, with appropriate comments, to the Assembly the periodical reports of the Director General and the yearly audit reports on the accounts;
    - (v) in accordance with the decisions of the Assembly and having regard to circumstances arising between two ordinary sessions of the Assembly, take all necessary measures to ensure the execution of the program of the Union by the Director General;
    - (vi) perform such other functions as are allocated to it under this Convention.
  - (b) With respect to matters which are of interest also to other Unions administered by the Organization, the Executive

Committee shall make its decisions after having heard the advice of the Coordination Committee of the Organization.

(7)

- (a) The Executive Committee shall meet once a year in ordinary session upon convocation by the Director General, preferably during the same period and at the same place as the Coordination Committee of the Organization.
- (b) The Executive Committee shall meet in extraordinary session upon convocation by the Director General, either on his own initiative, or at the request of its Chairman or one-fourth of its members.

(8)

- (a) Each country member of the Executive Committee shall have one vote.
- (b) One-half of the members of the Executive Committee shall constitute a quorum.
- (c) Decisions shall be made by a simple majority of the votes cast.
- (d) Abstentions shall not be considered as votes.
- (e) A delegate may represent, and vote in the name of, one country only.

(9) Countries of the Union not members of the Executive Committee shall be admitted to its meetings as observers.

(10) The Executive Committee shall adopt its own rules of procedure.

#### **Article 24**

[*International Bureau*: 1. Tasks in general, Director General; 2. General information; 3. Periodical; 4. Information to countries; 5. Studies and services; 6. Participation in meetings; 7. Conferences of revision; 8. Other tasks]

(1)

- (a) The administrative tasks with respect to the Union shall be performed by the International Bureau, which is a continuation of the Bureau of the Union united with the Bureau of the Union established by the International Convention for the Protection of Industrial Property.

- (b) In particular, the International Bureau shall provide the secretariat of the various organs of the Union.
- (c) The Director General of the Organization shall be the chief executive of the Union and shall represent the Union.
- (2) The International Bureau shall assemble and publish information concerning the protection of copyright. Each country of the Union shall promptly communicate to the International Bureau all new laws and official texts concerning the protection of copyright.
- (3) The International Bureau shall publish a monthly periodical.
- (4) The International Bureau shall, on request, furnish information to any country of the Union on matters concerning the protection of copyright.
- (5) The International Bureau shall conduct studies, and shall provide services, designed to facilitate the protection of copyright.
- (6) The Director General and any staff member designated by him shall participate, without the right to vote, in all meetings of the Assembly, the Executive Committee and any other committee of experts or working group. The Director General, or a staff member designated by him, shall be ex officio secretary of these bodies.
- (7)
  - (a) The International Bureau shall, in accordance with the directions of the Assembly and in cooperation with the Executive Committee, make the preparations for the conferences of revision of the provisions of the Convention other than Articles 22 to 26.
  - (b) The International Bureau may consult with intergovernmental and international non-governmental organizations concerning preparations for conferences of revision.
  - (c) The Director General and persons designated by him shall take part, without the right to vote, in the discussions at these conferences.
- (8) The International Bureau shall carry out any other tasks assigned to it.

#### **Article 25**

[*Finances*: 1. Budget; 2. Coordination with other Unions; 3. Resources; 4. Contributions; possible extension of previous budget; 5. Fees and charges;

6. Working capital fund; 7. Advances by host Government; 8. Auditing of accounts]

(1)

- (a) The Union shall have a budget.
- (b) The budget of the Union shall include the income and expenses proper to the Union, its contribution to the budget of expenses common to the Unions, and, where applicable, the sum made available to the budget of the Conference of the Organization.
- (c) Expenses not attributable exclusively to the Union but also to one or more other Unions administered by the Organization shall be considered as expenses common to the Unions. The share of the Union in such common expenses shall be in proportion to the interest the Union has in them.

(2) The budget of the Union shall be established with due regard to the requirements of coordination with the budgets of the other Unions administered by the Organization.

(3) The budget of the Union shall be financed from the following sources:

- (i) contributions of the countries of the Union;
- (ii) fees and charges due for services performed by the International Bureau in relation to the Union;
- (iii) sale of, or royalties on, the publications of the International Bureau concerning the Union;
- (iv) gifts, bequests, and subventions;
- (v) rents, interests, and other miscellaneous income.

(4)

- (a) For the purpose of establishing its contribution towards the budget, each country of the Union shall belong to a class, and shall pay its annual contributions on the basis of a number of units fixed as follows:

Class I	25
Class II	20
Class III	15
Class IV	10
Class V	5

Class VI 3

Class VII 1

- (b) Unless it has already done so, each country shall indicate, concurrently with depositing its instrument of ratification or accession, the class to which it wishes to belong. Any country may change class. If it chooses a lower class, the country must announce it to the Assembly at one of its ordinary sessions. Any such change shall take effect at the beginning of the calendar year following the session.
  - (c) The annual contribution of each country shall be an amount in the same proportion to the total sum to be contributed to the annual budget of the Union by all countries as the number of its units is to the total of the units of all contributing countries.
  - (d) Contributions shall become due on the first of January of each year.
  - (e) A country which is in arrears in the payment of its contributions shall have no vote in any of the organs of the Union of which it is a member if the amount of its arrears equals or exceeds the amount of the contributions due from it for the preceding two full years. However, any organ of the Union may allow such a country to continue to exercise its vote in that organ if, and as long as, it is satisfied that the delay in payment is due to exceptional and unavoidable circumstances.
  - (f) If the budget is not adopted before the beginning of a new financial period, it shall be at the same level as the budget of the previous year, in accordance with the financial regulations.
- (5) The amount of the fees and charges due for services rendered by the International Bureau in relation to the Union shall be established, and shall be reported to the Assembly and the Executive Committee, by the Director General.
- (6)
- (a) The Union shall have a working capital fund which shall be constituted by a single payment made by each country of the Union. If the fund becomes insufficient, an increase shall be decided by the Assembly.

- (b) The amount of the initial payment of each country to the said fund or of its participation in the increase thereof shall be a proportion of the contribution of that country for the year in which the fund is established or the increase decided.
  - (c) The proportion and the terms of payment shall be fixed by the Assembly on the proposal of the Director General and after it has heard the advice of the Coordination Committee of the Organization.
- (7)
- (a) In the headquarters agreement concluded with the country on the territory of which the Organization has its headquarters, it shall be provided that, whenever the working capital fund is insufficient, such country shall grant advances. The amount of these advances and the conditions on which they are granted shall be the subject of separate agreements, in each case, between such country and the Organization. As long as it remains under the obligation to grant advances, such country shall have an ex officio seat on the Executive Committee.
  - (b) The country referred to in subparagraph (a) and the Organization shall each have the right to denounce the obligation to grant advances, by written notification. Denunciation shall take effect three years after the end of the year in which it has been notified.
- (8) The auditing of the accounts shall be effected by one or more of the countries of the Union or by external auditors, as provided in the financial regulations. They shall be designated, with their agreement, by the Assembly.

## Article 26

[*Amendments*: 1. Provisions susceptible of amendment by the Assembly; proposals; 2. Adoption; 3. Entry into force]

- (1) Proposals for the amendment of Articles 22, 23, 24, 25, and the present Article, may be initiated by any country member of the Assembly, by the Executive Committee, or by the Director General. Such proposals shall be communicated by the Director General to the member countries of the Assembly at least six months in advance of their consideration by the Assembly.

- (2) Amendments to the Articles referred to in paragraph (1) shall be adopted by the Assembly. Adoption shall require three-fourths of the votes cast, provided that any amendment of Article 22, and of the present paragraph, shall require four-fifths of the votes cast.
- (3) Any amendment to the Articles referred to in paragraph (1) shall enter into force one month after written notifications of acceptance, effected in accordance with their respective constitutional processes, have been received by the Director General from three-fourths of the countries members of the Assembly at the time it adopted the amendment. Any amendment to the said Articles thus accepted shall bind all the countries which are members of the Assembly at the time the amendment enters into force, or which become members thereof at a subsequent date, provided that any amendment increasing the financial obligations of countries of the Union shall bind only those countries which have notified their acceptance of such amendment.

#### **Article 27**

[Revision: 1. Objective; 2. Conferences; 3. Adoption]

- (1) This Convention shall be submitted to revision with a view to the introduction of amendments designed to improve the system of the Union.
- (2) For this purpose, conferences shall be held successively in one of the countries of the Union among the delegates of the said countries.
- (3) Subject to the provisions of Article 26 which apply to the amendment of Articles 22 to 26, any revision of this Act, including the Appendix, shall require the unanimity of the votes cast.

#### **Article 28**

[Acceptance and Entry Into Force of Act for Countries of the Union: 1. Ratification, accession; possibility of excluding certain provisions; withdrawal of exclusion; 2. Entry into force of Articles 1 to 21 and Appendix; 3. Entry into force of Articles 22 to 38]

- (1)
  - (a) Any country of the Union which has signed this Act may ratify it, and, if it has not signed it, may accede to it.



Instruments of ratification or accession shall be deposited with the Director General.

- (b) Any country of the Union may declare in its instrument of ratification or accession that its ratification or accession shall not apply to Articles 1 to 21 and the Appendix, provided that, if such country has previously made a declaration under Article VI(1) of the Appendix, then it may declare in the said instrument only that its ratification or accession shall not apply to Articles 1 to 20.
- (c) Any country of the Union which, in accordance with subparagraph (b), has excluded provisions therein referred to from the effects of its ratification or accession may at any later time declare that it extends the effects of its ratification or accession to those provisions. Such declaration shall be deposited with the Director General.

(2)

- (a) Articles 1 to 21 and the Appendix shall enter into force three months after both of the following two conditions are fulfilled:
  - (i) at least five countries of the Union have ratified or acceded to this Act without making a declaration under paragraph (1)(b),
  - (ii) France, Spain, the United Kingdom of Great Britain and Northern Ireland, and the United States of America, have become bound by the Universal Copyright Convention as revised at Paris on July 24, 1971.
- (b) The entry into force referred to in subparagraph (a) shall apply to those countries of the Union which, at least three months before the said entry into force, have deposited instruments of ratification or accession not containing a declaration under paragraph (1)(b).
- (c) With respect to any country of the Union not covered by subparagraph (b) and which ratifies or accedes to this Act without making a declaration under paragraph (1)(b), Articles 1 to 21 and the Appendix shall enter into force three months after the date on which the Director General has notified the deposit of the relevant instrument of ratification

or accession, unless a subsequent date has been indicated in the instrument deposited. In the latter case, Articles 1 to 21 and the Appendix shall enter into force with respect to that country on the date thus indicated.

- (d) The provisions of subparagraphs (a) to (c) do not affect the application of Article VI of the Appendix.
- (3) With respect to any country of the Union which ratifies or accedes to this Act with or without a declaration made under paragraph (1)(b), Articles 22 to 38 shall enter into force three months after the date on which the Director General has notified the deposit of the relevant instrument of ratification or accession, unless a subsequent date has been indicated in the instrument deposited. In the latter case, Articles 22 to 38 shall enter into force with respect to that country on the date thus indicated.

#### **Article 29**

*[Acceptance and Entry Into Force for Countries Outside the Union: 1. Accession; 2. Entry into force]*

- (1) Any country outside the Union may accede to this Act and thereby become party to this Convention and a member of the Union. Instruments of accession shall be deposited with the Director General.
- (2)
  - (a) Subject to subparagraph (b), this Convention shall enter into force with respect to any country outside the Union three months after the date on which the Director General has notified the deposit of its instrument of accession, unless a subsequent date has been indicated in the instrument deposited. In the latter case, this Convention shall enter into force with respect to that country on the date thus indicated.
  - (b) If the entry into force according to subparagraph (a) precedes the entry into force of Articles 1 to 21 and the Appendix according to Article 28(2)(a), the said country shall, in the meantime, be bound, instead of by Articles 1 to 21 and the Appendix, by Articles 1 to 20 of the Brussels Act of this Convention.

**Article 29bis**

*[Effect of Acceptance of Act for the Purposes of Article 14(2) of the WIPO Convention]*

Ratification of or accession to this Act by any country not bound by Articles 22 to 38 of the Stockholm Act of this Convention shall, for the sole purposes of Article 14(2) of the Convention establishing the Organization, amount to ratification of or accession to the said Stockholm Act with the limitation set forth in Article 28(1)(b)(i) thereof.

**Article 30**

*[Reservations: 1. Limits of possibility of making reservations; 2. Earlier reservations; reservation as to the right of translation; withdrawal of reservation]*

- (1) Subject to the exceptions permitted by paragraph (2) of this Article, by Article 28(1)(b), by Article 33(2), and by the Appendix, ratification or accession shall automatically entail acceptance of all the provisions and admission to all the advantages of this Convention.
- (2)
  - (a) Any country of the Union ratifying or acceding to this Act may, subject to Article V(2) of the Appendix, retain the benefit of the reservations it has previously formulated on condition that it makes declaration to that effect at the time of the deposit of its instrument of ratification or accession.
  - (b) Any country outside the Union may declare, in acceding to this Convention and subject to Article V(2) of the Appendix, that it intends to substitute, temporarily at least, for Article 8 of this Act concerning the right of translation, the provisions of Article 5 of the Union Convention of 1886, as completed at Paris in 1896, on the clear understanding that the said provisions are applicable only to translations into a language in general use in the said country. Subject to Article I(6) (b) of the Appendix, any country has the right to apply, in relation to the right of translation of works whose country of origin is a country availing itself of such a reservation, a protection which is equivalent to the protection granted by the latter country.

- (c) Any country may withdraw such reservations at any time by notification addressed to the Director General.

### Article 31

[*Applicability to Certain Territories*: 1. Declaration; 2. Withdrawal of declaration; 3. Effective date; 4. Acceptance of factual situations not implied]

- (1) Any country may declare in its instrument of ratification or accession, or may inform the Director General by written notification at any time thereafter, that this Convention shall be applicable to all or part of those territories, designated in the declaration or notification, for the external relations of which it is responsible.
- (2) Any country which has made such a declaration or given such a notification may, at any time, notify the Director General that this Convention shall cease to be applicable to all or part of such territories.
- (3)
  - (a) Any declaration made under paragraph (1) shall take effect on the same date as the ratification or accession in which it was included, and any notification given under that paragraph shall take effect three months after its notification by the Director General.
  - (b) Any notification given under paragraph (2) shall take effect twelve months after its receipt by the Director General.
- (4) This Article shall in no way be understood as implying the recognition or tacit acceptance by a country of the Union of the factual situation concerning a territory to which this Convention is made applicable by another country of the Union by virtue of a declaration under paragraph (1).

### Article 32

[*Applicability of this Act and of Earlier Acts*: 1. As between countries already members of the Union; 2. As between a country becoming a member of the Union and other countries members of the Union; 3. Applicability of the Appendix in Certain Relations]

- (1) This Act shall, as regards relations between the countries of the Union, and to the extent that it applies, replace the Berne Convention of September 9, 1886, and the subsequent Acts of revision. The Acts previously in force shall continue to be applicable, in their entirety or to the extent that this Act does not replace them by virtue of the preceding sentence, in relations with countries of the Union which do not ratify or accede to this Act.
- (2) Countries outside the Union which become party to this Act shall, subject to paragraph (3), apply it with respect to any country of the Union not bound by this Act or which, although bound by this Act, has made a declaration pursuant to Article 28(1)(b). Such countries recognize that the said country of the Union, in its relations with them:
  - (i) may apply the provisions of the most recent Act by which it is bound, and
  - (ii) subject to Article I(6) of the Appendix, has the right to adapt the protection to the level provided for by this Act.
- (3) Any country which has availed itself of any of the faculties provided for in the Appendix may apply the provisions of the Appendix relating to the faculty or faculties of which it has availed itself in its relations with any other country of the Union which is not bound by this Act, provided that the latter country has accepted the application of the said provisions.

### Article 33

[*Disputes*: 1. Jurisdiction of the International Court of Justice; 2. Reservation as to such jurisdiction; 3. Withdrawal of reservation]

- (1) Any dispute between two or more countries of the Union concerning the interpretation or application of this Convention, not settled by negotiation, may, by any one of the countries concerned, be brought before the International Court of Justice by application in conformity with the Statute of the Court, unless the countries concerned agree on some other method of settlement. The country bringing the dispute before the Court shall inform the International Bureau; the International Bureau shall bring the matter to the attention of the other countries of the Union.
- (2) Each country may, at the time it signs this Act or deposits its instrument of ratification or accession, declare that it does not

consider itself bound by the provisions of paragraph (1). With regard to any dispute between such country and any other country of the Union, the provisions of paragraph (1) shall not apply.

- (3) Any country having made a declaration in accordance with the provisions of paragraph (2) may, at any time, withdraw its declaration by notification addressed to the Director General.

#### **Article 34**

[*Closing of Certain Earlier Provisions:* 1. Of earlier Acts; 2. Of the Protocol to the Stockholm Act]

- (1) Subject to Article 29bis no country may ratify or accede to earlier Acts of this Convention once Articles 1 to 21 and the Appendix have entered into force.
- (2) Once Articles 1 to 21 and the Appendix have entered into force, no country may make a declaration under Article 5 of the Protocol Regarding Developing Countries attached to the Stockholm Act.

#### **Article 35**

[*Duration of the Convention; Denunciation:* 1. Unlimited duration; 2. Possibility of denunciation; 3. Effective date of denunciation; 4. Moratorium on denunciation]

- (1) This Convention shall remain in force without limitation as to time.
- (2) Any country may denounce this Act by notification addressed to the Director General. Such denunciation shall constitute also denunciation of all earlier Acts and shall affect only the country making it, the Convention remaining in full force and effect as regards the other countries of the Union.
- (3) Denunciation shall take effect one year after the day on which the Director General has received the notification.
- (4) The right of denunciation provided by this Article shall not be exercised by any country before the expiration of five years from the date upon which it becomes a member of the Union.

#### **Article 36**

[*Application of the Convention:* 1. Obligation to adopt the necessary measures; 2. Time from which obligation exists]

- (1) Any country party to this Convention undertakes to adopt, in accordance with its constitution, the measures necessary to ensure the application of this Convention.
- (2) It is understood that, at the time a country becomes bound by this Convention, it will be in a position under its domestic law to give effect to the provisions of this Convention.

### Article 37

[*Final Clauses*: 1. Languages of the Act; 2. Signature; 3. Certified copies; 4. Registration; 5. Notifications]

- (1)
  - (a) This Act shall be signed in a single copy in the French and English languages and, subject to paragraph (2), shall be deposited with the Director General.
  - (b) Official texts shall be established by the Director General, after consultation with the interested Governments, in the Arabic, German, Italian, Portuguese and Spanish languages, and such other languages as the Assembly may designate.
  - (c) In case of differences of opinion on the interpretation of the various texts, the French text shall prevail.
- (2) This Act shall remain open for signature until January 31, 1972. Until that date, the copy referred to in paragraph (1)(a) shall be deposited with the Government of the French Republic.
- (3) The Director General shall certify and transmit two copies of the signed text of this Act to the Governments of all countries of the Union and, on request, to the Government of any other country.
- (4) The Director General shall register this Act with the Secretariat of the United Nations.
- (5) The Director General shall notify the Governments of all countries of the Union of signatures, deposits of instruments of ratification or accession and any declarations included in such instruments or made pursuant to Articles 28(1)(c), 30(2)(a) and (b), and 33(2), entry into force of any provisions of this Act, notifications of denunciation, and notifications pursuant to Articles 30(2)(c), 31(1) and (2), 33(3), and 38(1), as well as the Appendix.



## Article 38

[*Transitory Provisions*: 1. Exercise of the “five-year privilege”; 2. Bureau of the Union, Director of the Bureau; 3. Succession of Bureau of the Union]

- (1) Countries of the Union which have not ratified or acceded to this Act and which are not bound by Articles 22 to 26 of the Stockholm Act of this Convention may, until April 26, 1975, exercise, if they so desire, the rights provided under the said Articles as if they were bound by them. Any country desiring to exercise such rights shall give written notification to this effect to the Director General; this notification shall be effective on the date of its receipt. Such countries shall be deemed to be members of the Assembly until the said date.
- (2) As long as all the countries of the Union have not become Members of the Organization, the International Bureau of the Organization shall also function as the Bureau of the Union, and the Director General as the Director of the said Bureau.
- (3) Once all the countries of the Union have become Members of the Organization, the rights, obligations, and property, of the Bureau of the Union shall devolve on the International Bureau of the Organization.

## ANNEX 1C

### Agreement on trade-related aspects of intellectual property rights

*Members,*

*Desiring* to reduce distortions and impediments to international trade, and taking into account the need to promote effective and adequate protection of intellectual property rights, and to ensure that measures and procedures to enforce intellectual property rights do not themselves become barriers to legitimate trade;

*Recognizing*, to this end, the need for new rules and disciplines concerning:

- (a) the applicability of the basic principles of GATT 1994 and of relevant international intellectual property agreements or conventions;
- (b) the provision of adequate standards and principles concerning the availability, scope and use of trade-related intellectual property rights;



- (c) the provision of effective and appropriate means for the enforcement of trade-related intellectual property rights, taking into account differences in national legal systems;
- (d) the provision of effective and expeditious procedures for the multilateral prevention and settlement of disputes between governments; and
- (e) transitional arrangements aiming at the fullest participation in the results of the negotiations;

*Recognizing* the need for a multilateral framework of principles, rules and disciplines dealing with international trade in counterfeit goods;

*Recognizing* that intellectual property rights are private rights;

*Recognizing* the underlying public policy objectives of national systems for the protection of intellectual property, including developmental and technological objectives;

*Recognizing* also the special needs of the least-developed country Members in respect of maximum flexibility in the domestic implementation of laws and regulations in order to enable them to create a sound and viable technological base;

*Emphasizing* the importance of reducing tensions by reaching strengthened commitments to resolve disputes on trade-related intellectual property issues through multilateral procedures;

*Desiring* to establish a mutually supportive relationship between the WTO and the World

Intellectual Property Organization (referred to in this Agreement as “WIPO”) as well as other relevant international organizations;

*Hereby agree* as follows:

## **PART I**

### **General provisions and basic principles**

#### **Article 1**

##### **Nature and Scope of Obligations**

1. Members shall give effect to the provisions of this Agreement. Members may, but shall not be obliged to, implement in their law more extensive protection than is required by this Agreement, provided that such protection does not contravene the provisions

of this Agreement. Members shall be free to determine the appropriate method of implementing the provisions of this Agreement within their own legal system and practice.

2. For the purposes of this Agreement, the term “intellectual property” refers to all categories of intellectual property that are the subject of Sections 1 through 7 of Part II.
3. Members shall accord the treatment provided for in this Agreement to the nationals of other Members. In respect of the relevant intellectual property right, the nationals of other Members shall be understood as those natural or legal persons that would meet the criteria for eligibility for protection provided for in the Paris Convention (1967), the Berne Convention (1971), the Rome Convention and the Treaty on Intellectual Property in Respect of Integrated Circuits, were all Members of the WTO members of those conventions. Any Member availing itself of the possibilities provided in paragraph 3 of Article 5 or paragraph 2 of Article 6 of the Rome Convention shall make a notification as foreseen in those provisions to the Council for Trade-Related Aspects of Intellectual Property Rights (the “Council for TRIPS”).

## **Article 2**

### *Intellectual Property Conventions*

1. In respect of Parts II, III and IV of this Agreement, Members shall comply with Articles 1 through 12, and Article 19, of the Paris Convention (1967).
2. Nothing in Parts I to IV of this Agreement shall derogate from existing obligations that Members may have to each other under the Paris Convention, the Berne Convention, the Rome Convention and the Treaty on Intellectual Property in Respect of Integrated Circuits.

## **Article 3**

### *National Treatment*

1. Each Member shall accord to the nationals of other Members treatment no less favourable than that it accords to its own nationals with regard to the protection of intellectual property,

subject to the exceptions already provided in, respectively, the Paris Convention (1967), the Berne Convention (1971), the Rome Convention or the Treaty on Intellectual Property in Respect of Integrated Circuits. In respect of performers, producers of phonograms and broadcasting organizations, this obligation only applies in respect of the rights provided under this Agreement. Any Member availing itself of the possibilities provided in Article 6 of the Berne Convention (1971) or paragraph 1(b) of Article 16 of the Rome Convention shall make a notification as foreseen in those provisions to the Council for TRIPS.

2. Members may avail themselves of the exceptions permitted under paragraph 1 in relation to judicial and administrative procedures, including the designation of an address for service or the appointment of an agent within the jurisdiction of a Member, only where such exceptions are necessary to secure compliance with laws and regulations which are not inconsistent with the provisions of this Agreement and where such practices are not applied in a manner which would constitute a disguised restriction on trade.

#### **Article 4**

##### *Most-Favoured-Nation Treatment*

With regard to the protection of intellectual property, any advantage, favour, privilege or immunity granted by a Member to the nationals of any other country shall be accorded immediately and unconditionally to the nationals of all other Members. Exempted from this obligation are any advantage, favour, privilege or immunity accorded by a Member:

- (a) deriving from international agreements on judicial assistance or law enforcement of a general nature and not particularly confined to the protection of intellectual property;
- (b) granted in accordance with the provisions of the Berne Convention (1971) or the Rome Convention authorizing that the treatment accorded be a function not of national treatment but of the treatment accorded in another country;
- (c) in respect of the rights of performers, producers of phonograms and broadcasting organizations not provided under this Agreement;

- (d) deriving from international agreements related to the protection of intellectual

property which entered into force prior to the entry into force of the WTO Agreement, provided that such agreements are notified to the Council for TRIPS and do not constitute an arbitrary or unjustifiable discrimination against nationals of other Members.

## **Article 5**

### *Multilateral Agreements on Acquisition or Maintenance of Protection*

The obligations under Articles 3 and 4 do not apply to procedures provided in multilateral agreements concluded under the auspices of WIPO relating to the acquisition or maintenance of intellectual property rights.

## **Article 6**

### *Exhaustion*

For the purposes of dispute settlement under this Agreement, subject to the provisions of Articles 3 and 4 nothing in this Agreement shall be used to address the issue of the exhaustion of intellectual property rights.

## **Article 7**

### *Objectives*

The protection and enforcement of intellectual property rights should contribute to the promotion of technological innovation and to the transfer and dissemination of technology, to the mutual advantage of producers and users of technological knowledge and in a manner conducive to social and economic welfare, and to a balance of rights and obligations.

## **Article 8**

### *Principles*

1. Members may, in formulating or amending their laws and regulations, adopt measures necessary to protect public health and nutrition, and to promote the public interest in sectors of vital importance to their socio-economic and technological development, provided that such measures are consistent with the provisions of this Agreement.

2. Appropriate measures, provided that they are consistent with the provisions of this Agreement, may be needed to prevent the abuse of intellectual property rights by right holders or the resort to practices which unreasonably restrain trade or adversely affect the international transfer of technology.

## **PART II**

### **Standards Concerning The Availability, Scope**

### **And Use Of Intellectual Property Rights**

#### **Section 1: Copyright And Related Rights**

##### **Article 9**

##### *Relation to the Berne Convention*

1. Members shall comply with Articles 1 through 21 of the Berne Convention (1971) and the Appendix thereto. However, Members shall not have rights or obligations under this Agreement in respect of the rights conferred under Article 6bis of that Convention or of the rights derived therefrom.
2. Copyright protection shall extend to expressions and not to ideas, procedures, methods of operation or mathematical concepts as such.

##### **Article 10**

##### *Computer Programs and Compilations of Data*

1. Computer programs, whether in source or object code, shall be protected as literary works under the Berne Convention (1971).
2. Compilations of data or other material, whether in machine readable or other form, which by reason of the selection or arrangement of their contents constitute intellectual creations shall be protected as such. Such protection, which shall not extend to the data or material itself, shall be without prejudice to any copyright subsisting in the data or material itself.

##### **Article 11**

##### *Rental Rights*

In respect of at least computer programs and cinematographic works, a Member shall provide authors and their successors in title the right to

authorize or to prohibit the commercial rental to the public of originals or copies of their copyright works. A Member shall be excepted from this obligation in respect of cinematographic works unless such rental has led to widespread copying of such works which is materially impairing the exclusive right of reproduction conferred in that Member on authors and their successors in title. In respect of computer programs, this obligation does not apply to rentals where the program itself is not the essential object of the rental.

## **Article 12**

### *Term of Protection*

Whenever the term of protection of a work, other than a photographic work or a work of applied art, is calculated on a basis other than the life of a natural person, such term shall be no less than 50 years from the end of the calendar year of authorized publication, or, failing such authorized publication within 50 years from the making of the work, 50 years from the end of the calendar year of making.

## **Article 13**

### *Limitations and Exceptions*

Members shall confine limitations or exceptions to exclusive rights to certain special cases which do not conflict with a normal exploitation of the work and do not unreasonably prejudice the legitimate interests of the right holder.

## **Article 14**

### *Protection of Performers, Producers of Phonograms*

#### *(Sound Recordings) and Broadcasting Organizations*

1. In respect of a fixation of their performance on a phonogram, performers shall have the possibility of preventing the following acts when undertaken without their authorization: the fixation of their unfixed performance and the reproduction of such fixation. Performers shall also have the possibility of preventing the following acts when undertaken without their authorization: the broadcasting by wireless means and the communication to the public of their live performance.

2. Producers of phonograms shall enjoy the right to authorize or prohibit the direct or indirect reproduction of their phonograms.
3. Broadcasting organizations shall have the right to prohibit the following acts when undertaken without their authorization: the fixation, the reproduction of fixations, and the rebroadcasting by wireless means of broadcasts, as well as the communication to the public of television broadcasts of the same. Where Members do not grant such rights to broadcasting organizations, they shall provide owners of copyright in the subject matter of broadcasts with the possibility of preventing the above acts, subject to the provisions of the Berne Convention (1971).
4. The provisions of Article 11 in respect of computer programs shall apply *mutatis mutandis* to producers of phonograms and any other right holders in phonograms as determined in a Member's law. If on 15 April 1994 a Member has in force a system of equitable remuneration of right holders in respect of the rental of phonograms, it may maintain such system provided that the commercial rental of phonograms is not giving rise to the material impairment of the exclusive rights of reproduction of right holders.
5. The term of the protection available under this Agreement to performers and producers of phonograms shall last at least until the end of a period of 50 years computed from the end of the calendar year in which the fixation was made or the performance took place. The term of protection granted pursuant to paragraph 3 shall last for at least 20 years from the end of the calendar year in which the broadcast took place.
6. Any Member may, in relation to the rights conferred under paragraphs 1, 2 and 3, provide for conditions, limitations, exceptions and reservations to the extent permitted by the Rome Convention. However, the provisions of Article 18 of the Berne Convention (1971) shall also apply, *mutatis mutandis*, to the rights of performers and producers of phonograms in phonograms.

## Section 2: Trademarks

### Article 15

#### *Protectable Subject Matter*

1. Any sign, or any combination of signs, capable of distinguishing the goods or services of one undertaking from those of other undertakings, shall be capable of constituting a trademark. Such signs, in particular words including personal names, letters, numerals, figurative elements and combinations of colours as well as any combination of such signs, shall be eligible for registration as trademarks. Where signs are not inherently capable of distinguishing the relevant goods or services, Members may make registrability depend on distinctiveness acquired through use. Members may require, as a condition of registration, that signs be visually perceptible.
2. Paragraph 1 shall not be understood to prevent a Member from denying registration of a trademark on other grounds, provided that they do not derogate from the provisions of the Paris Convention (1967).
3. Members may make registrability depend on use. However, actual use of a trademark shall not be a condition for filing an application for registration. An application shall not be refused solely on the ground that intended use has not taken place before the expiry of a period of three years from the date of application.
4. The nature of the goods or services to which a trademark is to be applied shall in no case form an obstacle to registration of the trademark.
5. Members shall publish each trademark either before it is registered or promptly after it is registered and shall afford a reasonable opportunity for petitions to cancel the registration. In addition, Members may afford an opportunity for the registration of a trademark to be opposed.

## **Article 16**

### *Rights Conferred*

1. The owner of a registered trademark shall have the exclusive right to prevent all third parties not having the owner's consent from using in the course of trade identical or similar signs for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion. In case of the use of an identical sign for identical goods or services, a likelihood of confusion shall be presumed. The



rights described above shall not prejudice any existing prior rights, nor shall they affect the possibility of Members making rights available on the basis of use.

2. Article 6*bis* of the Paris Convention (1967) shall apply, *mutatis mutandis*, to services. In determining whether a trademark is well-known, Members shall take account of the knowledge of the trademark in the relevant sector of the public, including knowledge in the Member concerned which has been obtained as a result of the promotion of the trademark.
3. Article 6*bis* of the Paris Convention (1967) shall apply, *mutatis mutandis*, to goods or services which are not similar to those in respect of which a trademark is registered, provided that use of that trademark in relation to those goods or services would indicate a connection between those goods or services and the owner of the registered trademark and provided that the interests of the owner of the registered trademark are likely to be damaged by such use.

## Article 17

### *Exceptions*

Members may provide limited exceptions to the rights conferred by a trademark, such as fair use of descriptive terms, provided that such exceptions take account of the legitimate interests of the owner of the trademark and of third parties.

## Article 18

### *Term of Protection*

Initial registration, and each renewal of registration, of a trademark shall be for a term of no less than seven years. The registration of a trademark shall be renewable indefinitely.

## Article 19

### *Requirement of Use*

1. If use is required to maintain a registration, the registration may be cancelled only after an uninterrupted period of at least three years of non-use, unless valid reasons based on the existence of obstacles to such use are shown by the trademark owner. Circumstances

arising independently of the will of the owner of the trademark which constitute an obstacle to the use of the trademark, such as import restrictions on or other government requirements for goods or services protected by the trademark, shall be recognized as valid reasons for non-use.

2. When subject to the control of its owner, use of a trademark by another person shall be recognized as use of the trademark for the purpose of maintaining the registration.

## **Article 20**

### *Other Requirements*

The use of a trademark in the course of trade shall not be unjustifiably encumbered by special requirements, such as use with another trademark, use in a special form or use in a manner detrimental to its capability to distinguish the goods or services of one undertaking from those of other undertakings. This will not preclude a requirement prescribing the use of the trademark identifying the undertaking producing the goods or services along with, but without linking it to, the trademark distinguishing the specific goods or services in question of that undertaking.

## **Article 21**

### *Licensing and Assignment*

Members may determine conditions on the licensing and assignment of trademarks, it being understood that the compulsory licensing of trademarks shall not be permitted and that the owner of a registered trademark shall have the right to assign the trademark with or without the transfer of the business to which the trademark belongs.

## **Section 3: Geographical Indications**

### **Article 22**

#### *Protection of Geographical Indications*

1. Geographical indications are, for the purposes of this Agreement, indications which identify a good as originating in the territory of a Member, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin.

2. In respect of geographical indications, Members shall provide the legal means for interested parties to prevent:
  - (a) the use of any means in the designation or presentation of a good that indicates or suggests that the good in question originates in a geographical area other than the true place of origin in a manner which misleads the public as to the geographical origin of the good;
  - (b) any use which constitutes an act of unfair competition within the meaning of Article 10bis of the Paris Convention (1967).
3. A Member shall, *ex officio* if its legislation so permits or at the request of an interested party, refuse or invalidate the registration of a trademark which contains or consists of a geographical indication with respect to goods not originating in the territory indicated, if use of the indication in the trademark for such goods in that Member is of such a nature as to mislead the public as to the true place of origin.
4. The protection under paragraphs 1, 2 and 3 shall be applicable against a geographical indication which, although literally true as to the territory, region or locality in which the goods originate, falsely represents to the public that the goods originate in another territory.

## Article 23

### *Additional Protection for Geographical Indications*

#### *for Wines and Spirits*

1. Each Member shall provide the legal means for interested parties to prevent use of a geographical indication identifying wines for wines not originating in the place indicated by the geographical indication in question or identifying spirits for spirits not originating in the place indicated by the geographical indication in question, even where the true origin of the goods is indicated or the geographical indication is used in translation or accompanied by expressions such as “kind”, “type”, “style”, “imitation” or the like.
2. The registration of a trademark for wines which contains or consists of a geographical indication identifying wines or for spirits which contains or consists of a geographical indication identifying spirits

shall be refused or invalidated, *ex officio* if a Member's legislation so permits or at the request of an interested party, with respect to such wines or spirits not having this origin.

3. In the case of homonymous geographical indications for wines, protection shall be accorded to each indication, subject to the provisions of paragraph 4 of Article 22. Each Member shall determine the practical conditions under which the homonymous indications in question will be differentiated from each other, taking into account the need to ensure equitable treatment of the producers concerned and that consumers are not misled.
4. In order to facilitate the protection of geographical indications for wines, negotiations shall be undertaken in the Council for TRIPS concerning the establishment of a multilateral system of notification and registration of geographical indications for wines eligible for protection in those Members participating in the system.

#### **Article 24**

##### *International Negotiations; Exceptions*

1. Members agree to enter into negotiations aimed at increasing the protection of individual geographical indications under Article 23. The provisions of paragraphs 4 through 8 below shall not be used by a Member to refuse to conduct negotiations or to conclude bilateral or multilateral agreements. In the context of such negotiations, Members shall be willing to consider the continued applicability of these provisions to individual geographical indications whose use was the subject of such negotiations.
2. The Council for TRIPS shall keep under review the application of the provisions of this Section; the first such review shall take place within two years of the entry into force of the WTO Agreement. Any matter affecting the compliance with the obligations under these provisions may be drawn to the attention of the Council, which, at the request of a Member, shall consult with any Member or Members in respect of such matter in respect of which it has not been possible to find a satisfactory solution through bilateral or plurilateral consultations between the Members concerned. The Council shall take such action as may be agreed to facilitate the operation and further the objectives of this Section.

3. In implementing this Section, a Member shall not diminish the protection of geographical indications that existed in that Member immediately prior to the date of entry into force of the WTO Agreement.
4. Nothing in this Section shall require a Member to prevent continued and similar use of a particular geographical indication of another Member identifying wines or spirits in connection with goods or services by any of its nationals or domiciliaries who have used that geographical indication in a continuous manner with regard to the same or related goods or services in the territory of that Member either (a) for at least 10 years preceding 15 April 1994 or (b) in good faith preceding that date.
5. Where a trademark has been applied for or registered in good faith, or where rights to a trademark have been acquired through use in good faith either:
  - (a) before the date of application of these provisions in that Member as defined in Part VI; or
  - (b) before the geographical indication is protected in its country of origin; measures adopted to implement this Section shall not prejudice eligibility for or the validity of the registration of a trademark, or the right to use a trademark, on the basis that such a trademark is identical with, or similar to, a geographical indication.
6. Nothing in this Section shall require a Member to apply its provisions in respect of a geographical indication of any other Member with respect to goods or services for which the relevant indication is identical with the term customary in common language as the common name for such goods or services in the territory of that Member. Nothing in this Section shall require a Member to apply its provisions in respect of a geographical indication of any other Member with respect to products of the vine for which the relevant indication is identical with the customary name of a grape variety existing in the territory of that Member as of the date of entry into force of the WTO Agreement.
7. A Member may provide that any request made under this Section in connection with the use or registration of a trademark must be presented within five years after the adverse use of the protected

indication has become generally known in that Member or after the date of registration of the trademark in that Member provided that the trademark has been published by that date, if such date is earlier than the date on which the adverse use became generally known in that Member, provided that the geographical indication is not used or registered in bad faith.

8. The provisions of this Section shall in no way prejudice the right of any person to use, in the course of trade, that person's name or the name of that person's predecessor in business, except where such name is used in such a manner as to mislead the public.
9. There shall be no obligation under this Agreement to protect geographical indications which are not or cease to be protected in their country of origin, or which have fallen into disuse in that country.

## **Section 4: Industrial Designs**

### **Article 25**

#### *Requirements for Protection*

1. Members shall provide for the protection of independently created industrial designs that are new or original. Members may provide that designs are not new or original if they do not significantly differ from known designs or combinations of known design features. Members may provide that such protection shall not extend to designs dictated essentially by technical or functional considerations.
2. Each Member shall ensure that requirements for securing protection for textile designs, in particular in regard to any cost, examination or publication, do not unreasonably impair the opportunity to seek and obtain such protection. Members shall be free to meet this obligation through industrial design law or through copyright law.

### **Article 26**

#### *Protection*

1. The owner of a protected industrial design shall have the right to prevent third parties not having the owner's consent from making,

selling or importing articles bearing or embodying a design which is a copy, or substantially a copy, of the protected design, when such acts are undertaken for commercial purposes.

2. Members may provide limited exceptions to the protection of industrial designs, provided that such exceptions do not unreasonably conflict with the normal exploitation of protected industrial designs and do not unreasonably prejudice the legitimate interests of the owner of the protected design, taking account of the legitimate interests of third parties.
3. The duration of protection available shall amount to at least 10 years.

## Section 5: Patents

### Article 27

#### *Patentable Subject Matter*

1. Subject to the provisions of paragraphs 2 and 3, patents shall be available for any inventions, whether products or processes, in all fields of technology, provided that they are new, involve an inventive step and are capable of industrial application.<sup>5</sup> Subject to paragraph 4 of Article 65, For the purposes of this Article, the terms “inventive step” and “capable of industrial application” may be deemed by a Member to be synonymous with the terms “non-obvious” and “useful” respectively. paragraph 8 of Article 70 and paragraph 3 of this Article, patents shall be available and patent rights enjoyable without discrimination as to the place of invention, the field of technology and whether products are imported or locally produced.
2. Members may exclude from patentability inventions, the prevention within their territory of the commercial exploitation of which is necessary to protect *ordre public* or morality, including to protect human, animal or plant life or health or to avoid serious prejudice to the environment, provided that such exclusion is not made merely because the exploitation is prohibited by their law.
3. Members may also exclude from patentability:
  - (a) diagnostic, therapeutic and surgical methods for the treatment of humans or animals;



- (b) plants and animals other than micro-organisms, and essentially biological processes for the production of plants or animals other than non-biological and microbiological processes. However, Members shall provide for the protection of plant varieties either by patents or by an effective *sui generis* system or by any combination thereof. The provisions of this subparagraph shall be reviewed four years after the date of entry into force of the WTO Agreement.

## Article 28

### *Rights Conferred*

1. A patent shall confer on its owner the following exclusive rights:
  - (a) where the subject matter of a patent is a product, to prevent third parties not having the owner's consent from the acts of: making, using, offering for sale, selling, or importing for these purposes that product;
  - (b) where the subject matter of a patent is a process, to prevent third parties not having the owner's consent from the act of using the process, and from the acts of: using, offering for sale, selling, or importing for these purposes at least the product obtained directly by that process.
2. Patent owners shall also have the right to assign, or transfer by succession, the patent and to conclude licensing contracts.

## Article 29

### *Conditions on Patent Applicants*

1. Members shall require that an applicant for a patent shall disclose the invention in a manner sufficiently clear and complete for the invention to be carried out by a person skilled in the art and may require the applicant to indicate the best mode for carrying out the invention known to the inventor at the filing date or, where priority is claimed, at the priority date of the application.
2. Members may require an applicant for a patent to provide information concerning the applicant's corresponding foreign applications and grants.



**Article 30***Exceptions to Rights Conferred*

Members may provide limited exceptions to the exclusive rights conferred by a patent,

provided that such exceptions do not unreasonably conflict with a normal exploitation of the patent and do not unreasonably prejudice the legitimate interests of the patent owner, taking account of the legitimate interests of third parties.

**Article 31***Other Use Without Authorization of the Right Holder*

Where the law of a Member allows for other use of the subject matter of a patent without the

authorization of the right holder, including use by the government or third parties authorized by the government, the following provisions shall be respected:

- (a) authorization of such use shall be considered on its individual merits;
- (b) such use may only be permitted if, prior to such use, the proposed user has made efforts to obtain authorization from the right holder on reasonable commercial terms and conditions and that such efforts have not been successful within a reasonable period of time. This requirement may be waived by a Member in the case of a national emergency or other circumstances of extreme urgency or in cases of public non-commercial use. In situations of national emergency or other circumstances of extreme urgency, the right holder shall, nevertheless, be notified as soon as reasonably practicable. In the case of public non-commercial use, where the government or contractor, without making a patent search, knows or has demonstrable grounds to know that a valid patent is or will be used by or for the government, the right holder shall be informed promptly;
- (c) the scope and duration of such use shall be limited to the purpose for which it was authorized, and in the case of semi-conductor technology shall only be for public non-commercial use or to

- remedy a practice determined after judicial or administrative process to be anti-competitive;
- (d) such use shall be non-exclusive;
  - (e) such use shall be non-assignable, except with that part of the enterprise or goodwill which enjoys such use;
  - (f) any such use shall be authorized predominantly for the supply of the domestic market of the Member authorizing such use;
  - (g) authorization for such use shall be liable, subject to adequate protection of the legitimate interests of the persons so authorized, to be terminated if and when the circumstances which led to it cease to exist and are unlikely to recur. The competent authority shall have the authority to review, upon motivated request, the continued existence of these circumstances;
  - (h) the right holder shall be paid adequate remuneration in the circumstances of each case, taking into account the economic value of the authorization;
  - (i) the legal validity of any decision relating to the authorization of such use shall be subject to judicial review or other independent review by a distinct higher authority in that Member;
  - (j) any decision relating to the remuneration provided in respect of such use shall be subject to judicial review or other independent review by a distinct higher authority in that Member;
  - (k) Members are not obliged to apply the conditions set forth in subparagraphs (b) and (f) where such use is permitted to remedy a practice determined after judicial or administrative process to be anti-competitive. The need to correct anti-competitive practices may be taken into account in determining the amount of remuneration in such cases. Competent authorities shall have the authority to refuse termination of authorization if and when the conditions which led to such authorization are likely to recur;
  - (l) where such use is authorized to permit the exploitation of a patent ("the second patent") which cannot be exploited without infringing another patent ("the first patent"), the following additional conditions shall apply:
    - (i) the invention claimed in the second patent shall involve an important technical advance of considerable economic significance in relation to the invention claimed in the first patent;

- (ii) the owner of the first patent shall be entitled to a cross-licence on reasonable terms to use the invention claimed in the second patent; and
- (iii) the use authorized in respect of the first patent shall be nonassignable except with the assignment of the second patent.

#### **Article 31<sup>bis</sup>**

1. The obligations of an exporting Member under Article 31(f) shall not apply with respect to the grant by it of a compulsory licence to the extent necessary for the purposes of production of a pharmaceutical product(s) and its export to an eligible importing Member(s) in accordance with the terms set out in paragraph 2 of the Annex to this Agreement.
2. Where a compulsory licence is granted by an exporting Member under the system set out in this Article and the Annex to this Agreement, adequate remuneration pursuant to Article 31(h) shall be paid in that Member taking into account the economic value to the importing Member of the use that has been authorized in the exporting Member. Where a compulsory licence is granted for the same products in the eligible importing Member, the obligation of that Member under Article 31(h) shall not apply in respect of those products for which remuneration in accordance with the first sentence of this paragraph is paid in the exporting Member.
3. With a view to harnessing economies of scale for the purposes of enhancing purchasing power for, and facilitating the local production of, pharmaceutical products: where a developing or least-developed country WTO Member is a party to a regional trade agreement within the meaning of Article XXIV of the GATT 1994 and the Decision of 28 November 1979 on Differential and More Favourable Treatment Reciprocity and Fuller Participation of Developing Countries (L/4903), at least half of the current membership of which is made up of countries presently on the United Nations list of least-developed countries, the obligation of that Member under Article 31(f) shall not apply to the extent necessary to enable a pharmaceutical product produced or imported under a compulsory licence in that Member to be exported to the markets of those other developing or least-developed country parties to the

regional trade agreement that share the health problem in question. It is understood that this will not prejudice the territorial nature of the patent rights in question.

4. Members shall not challenge any measures taken in conformity with the provisions of this Article and the Annex to this Agreement under subparagraphs 1(b) and 1(c) of Article XXIII of GATT 1994.
5. This Article and the Annex to this Agreement are without prejudice to the rights, obligations and flexibilities that Members have under the provisions of this Agreement other than paragraphs (f) and (h) of Article 31, including those reaffirmed by the Declaration on the TRIPS Agreement and Public Health (WT/MIN(01)/DEC/2), and to their interpretation. They are also without prejudice to the extent to which pharmaceutical products produced under a compulsory licence can be exported under the provisions of Article 31(f).

## **Article 32**

### *Revocation/Forfeiture*

An opportunity for judicial review of any decision to revoke or forfeit a patent shall be available.

## **Article 33**

### *Term of Protection*

The term of protection available shall not end before the expiration of a period of twenty years counted from the filing date.

## **Article 34**

### *Process Patents: Burden of Proof*

1. For the purposes of civil proceedings in respect of the infringement of the rights of the owner referred to in paragraph 1(b) of Article 28, if the subject matter of a patent is a process for obtaining a product, the judicial authorities shall have the authority to order the defendant to prove that the process to obtain an identical product is different from the patented process. Therefore, Members shall provide, in at least one of the following circumstances, that any identical product when produced without the consent of the

patent owner shall, in the absence of proof to the contrary, be deemed to have been obtained by the patented process:

- (a) if the product obtained by the patented process is new;
  - (b) if there is a substantial likelihood that the identical product was made by the process and the owner of the patent has been unable through reasonable efforts to determine the process actually used.
2. Any Member shall be free to provide that the burden of proof indicated in paragraph 1 shall be on the alleged infringer only if the condition referred to in subparagraph (a) is fulfilled or only if the condition referred to in subparagraph (b) is fulfilled.
  3. In the adduction of proof to the contrary, the legitimate interests of defendants in protecting their manufacturing and business secrets shall be taken into account.

## **Section 6: Layout-Designs (Topographies) Of Integrated Circuits**

### **Article 35**

#### *Relation to the IPIC Treaty*

Members agree to provide protection to the layout-designs (topographies) of integrated

circuits (referred to in this Agreement as “layout-designs”) in accordance with Articles 2 through 7 (other than paragraph 3 of Article 6), Article 12 and paragraph 3 of Article 16 of the Treaty on Intellectual Property in Respect of Integrated Circuits and, in addition, to comply with the following provisions.

### **Article 36**

#### *Scope of the Protection*

Subject to the provisions of paragraph 1 of Article 37, Members shall consider unlawful the following acts if performed without the authorization of the right holder: importing, selling, or otherwise distributing for commercial purposes a protected layout-design, an integrated circuit in which a protected layout-design is incorporated, or an article incorporating such an integrated circuit only in so far as it continues to contain an unlawfully reproduced layout-design.

**Article 37***Acts Not Requiring the Authorization of the Right Holder*

1. Notwithstanding Article 36, no Member shall consider unlawful the performance of any of the acts referred to in that Article in respect of an integrated circuit incorporating an unlawfully reproduced layout-design or any article incorporating such an integrated circuit where the person performing or ordering such acts did not know and had no reasonable ground to know, when acquiring the integrated circuit or article incorporating such an integrated circuit, that it incorporated an unlawfully reproduced layout-design. Members shall provide that, after the time that such person has received sufficient notice that the layout-design was unlawfully reproduced, that person may perform any of the acts with respect to the stock on hand or ordered before such time, but shall be liable to pay to the right holder a sum equivalent to a reasonable royalty such as would be payable under a freely negotiated licence in respect of such a layout-design.
2. The conditions set out in subparagraphs (a) through (k) of Article 31 shall apply *mutatis mutandis* in the event of any non-voluntary licensing of a layout-design or of its use by or for the government without the authorization of the right holder.

**Article 38***Term of Protection*

1. In Members requiring registration as a condition of protection, the term of protection of layout-designs shall not end before the expiration of a period of 10 years counted from the date of filing an application for registration or from the first commercial exploitation wherever in the world it occurs.
2. In Members not requiring registration as a condition for protection, layout-designs shall be protected for a term of no less than 10 years from the date of the first commercial exploitation wherever in the world it occurs.
3. Notwithstanding paragraphs 1 and 2, a Member may provide that protection shall lapse 15 years after the creation of the layout-design.

## **Section 7: Protection Of Undisclosed Information**

### **Article 39**

1. In the course of ensuring effective protection against unfair competition as provided in Article 10*bis* of the Paris Convention (1967), Members shall protect undisclosed information in accordance with paragraph 2 and data submitted to governments or governmental agencies in accordance with paragraph 3.
2. Natural and legal persons shall have the possibility of preventing information lawfully within their control from being disclosed to, acquired by, or used by others without their consent in a manner contrary to honest commercial practices so long as such information:
  - (a) is secret in the sense that it is not, as a body or in the precise configuration and assembly of its components, generally known among or readily accessible to persons within the circles that normally deal with the kind of information in question;
  - (b) has commercial value because it is secret; and
  - (c) has been subject to reasonable steps under the circumstances, by the person lawfully in control of the information, to keep it secret.
3. Members, when requiring, as a condition of approving the marketing of pharmaceutical or of agricultural chemical products which utilize new chemical entities, the submission of undisclosed test or other data, the origination of which involves a considerable effort, shall protect such data against unfair commercial use. In addition, Members shall protect such data against disclosure, except where necessary to protect the public, or unless steps are taken to ensure that the data are protected against unfair commercial use.

## **Section 8: Control Of Anti-Competitive Practices In Contractual Licences**

### **Article 40**

1. Members agree that some licensing practices or conditions pertaining to intellectual property rights which restrain competition may have adverse effects on trade and may impede the transfer and dissemination of technology.



2. Nothing in this Agreement shall prevent Members from specifying in their legislation licensing practices or conditions that may in particular cases constitute an abuse of intellectual property rights having an adverse effect on competition in the relevant market. As provided above, a Member may adopt, consistently with the other provisions of this Agreement, appropriate measures to prevent or control such practices, which may include for example exclusive grantback conditions, conditions preventing challenges to validity and coercive package licensing, in the light of the relevant laws and regulations of that Member.
3. Each Member shall enter, upon request, into consultations with any other Member which has cause to believe that an intellectual property right owner that is a national or domiciliary of the Member to which the request for consultations has been addressed is undertaking practices in violation of the requesting Member's laws and regulations on the subject matter of this Section, and which wishes to secure compliance with such legislation, without prejudice to any action under the law and to the full freedom of an ultimate decision of either Member. The Member addressed shall accord full and sympathetic consideration to, and shall afford adequate opportunity for, consultations with the requesting Member, and shall cooperate through supply of publicly available nonconfidential information of relevance to the matter in question and of other information available to the Member, subject to domestic law and to the conclusion of mutually satisfactory agreements concerning the safeguarding of its confidentiality by the requesting Member.
4. A Member whose nationals or domiciliaries are subject to proceedings in another Member concerning alleged violation of that other Member's laws and regulations on the subject matter of this Section shall, upon request, be granted an opportunity for consultations by the other Member under the same conditions as those foreseen in paragraph 3.

### **PART III**

#### **Enforcement Of Intellectual Property Rights**

##### **Section 1: General Obligations**

###### **Article 41**



1. Members shall ensure that enforcement procedures as specified in this Part are available under their law so as to permit effective action against any act of infringement of intellectual property rights covered by this Agreement, including expeditious remedies to prevent infringements and remedies which constitute a deterrent to further infringements. These procedures shall be applied in such a manner as to avoid the creation of barriers to legitimate trade and to provide for safeguards against their abuse.
2. Procedures concerning the enforcement of intellectual property rights shall be fair and equitable. They shall not be unnecessarily complicated or costly, or entail unreasonable time-limits or unwarranted delays.
3. Decisions on the merits of a case shall preferably be in writing and reasoned. They shall be made available at least to the parties to the proceeding without undue delay. Decisions on the merits of a case shall be based only on evidence in respect of which parties were offered the opportunity to be heard.
4. Parties to a proceeding shall have an opportunity for review by a judicial authority of final administrative decisions and, subject to jurisdictional provisions in a Member's law concerning the importance of a case, of at least the legal aspects of initial judicial decisions on the merits of a case. However, there shall be no obligation to provide an opportunity for review of acquittals in criminal cases.
5. It is understood that this Part does not create any obligation to put in place a judicial system for the enforcement of intellectual property rights distinct from that for the enforcement of law in general, nor does it affect the capacity of Members to enforce their law in general. Nothing in this Part creates any obligation with respect to the distribution of resources as between enforcement of intellectual property rights and the enforcement of law in general.

## **Section 2: Civil And Administrative Procedures And Remedies**

### **Article 42**

#### *Fair and Equitable Procedures*

Members shall make available to right holders civil judicial procedures concerning the enforcement of any intellectual property right covered by

this Agreement. Defendants shall have the right to written notice which is timely and contains sufficient detail, including the basis of the claims. Parties shall be allowed to be represented by independent legal counsel, and procedures shall not impose overly burdensome requirements concerning mandatory personal appearances. All parties to such procedures shall be duly entitled to substantiate their claims and to present all relevant evidence. The procedure shall provide a means to identify and protect confidential information, unless this would be contrary to existing constitutional requirements.

### **Article 43**

#### *Evidence*

1. The judicial authorities shall have the authority, where a party has presented reasonably available evidence sufficient to support its claims and has specified evidence relevant to substantiation of its claims which lies in the control of the opposing party, to order that this evidence be produced by the opposing party, subject in appropriate cases to conditions which ensure the protection of confidential information.
2. In cases in which a party to a proceeding voluntarily and without good reason refuses access to, or otherwise does not provide necessary information within a reasonable period, or significantly impedes a procedure relating to an enforcement action, a Member may accord judicial authorities the authority to make preliminary and final determinations, affirmative or negative, on the basis of the information presented to them, including the complaint or the allegation presented by the party adversely affected by the denial of access to information, subject to providing the parties an opportunity to be heard on the allegations or evidence.

### **Article 44**

#### *Injunctions*

1. The judicial authorities shall have the authority to order a party to desist from an infringement, *inter alia* to prevent the entry into the channels of commerce in their jurisdiction of imported goods that involve the infringement of an intellectual property right, immediately after customs clearance of such goods.

Members are not obliged to accord such authority in respect of protected subject matter acquired or ordered by a person prior to knowing or having reasonable grounds to know that dealing in such subject matter would entail the infringement of an intellectual property right.

2. Notwithstanding the other provisions of this Part and provided that the provisions of Part II specifically addressing use by governments, or by third parties authorized by a government, without the authorization of the right holder are complied with, Members may limit the remedies available against such use to payment of remuneration in accordance with subparagraph (h) of Article 31. In other cases, the remedies under this Part shall apply or, where these remedies are inconsistent with a Member's law, declaratory judgments and adequate compensation shall be available.

#### **Article 45**

##### *Damages*

1. The judicial authorities shall have the authority to order the infringer to pay the right holder damages adequate to compensate for the injury the right holder has suffered because of an infringement of that person's intellectual property right by an infringer who knowingly, or with reasonable grounds to know, engaged in infringing activity.
2. The judicial authorities shall also have the authority to order the infringer to pay the right holder expenses, which may include appropriate attorney's fees. In appropriate cases, Members may authorize the judicial authorities to order recovery of profits and/or payment of pre-established damages even where the infringer did not knowingly, or with reasonable grounds to know, engage in infringing activity.

#### **Article 46**

##### *Other Remedies*

In order to create an effective deterrent to infringement, the judicial authorities shall have the authority to order that goods that they have found to be infringing be, without compensation of any sort, disposed of outside the channels of commerce in such a manner as to avoid any harm

caused to the right holder, or, unless this would be contrary to existing constitutional requirements, destroyed. The judicial authorities shall also have the authority to order that materials and implements the predominant use of which has been in the creation of the infringing goods be, without compensation of any sort, disposed of outside the channels of commerce in such a manner as to minimize the risks of further infringements. In considering such requests, the need for proportionality between the seriousness of the infringement and the remedies ordered as well as the interests of third parties shall be taken into account. In regard to counterfeit trademark goods, the simple removal of the trademark unlawfully affixed shall not be sufficient, other than in exceptional cases, to permit release of the goods into the channels of commerce.

#### **Article 47**

##### *Right of Information*

Members may provide that the judicial authorities shall have the authority, unless this would be out of proportion to the seriousness of the infringement, to order the infringer to inform the right holder of the identity of third persons involved in the production and distribution of the infringing goods or services and of their channels of distribution.

#### **Article 48**

##### *Indemnification of the Defendant*

1. The judicial authorities shall have the authority to order a party at whose request measures were taken and who has abused enforcement procedures to provide to a party wrongfully enjoined or restrained adequate compensation for the injury suffered because of such abuse. The judicial authorities shall also have the authority to order the applicant to pay the defendant expenses, which may include appropriate attorney's fees.
2. In respect of the administration of any law pertaining to the protection or enforcement of intellectual property rights, Members shall only exempt both public authorities and officials from liability to appropriate remedial measures where actions are taken or intended in good faith in the course of the administration of that law.

**Article 49***Administrative Procedures*

To the extent that any civil remedy can be ordered as a result of administrative procedures on the merits of a case, such procedures shall conform to principles equivalent in substance to those set forth in this Section.

**Section 3: Provisional Measures****Article 50**

1. The judicial authorities shall have the authority to order prompt and effective provisional measures:
  - (a) to prevent an infringement of any intellectual property right from occurring, and in particular to prevent the entry into the channels of commerce in their jurisdiction of goods, including imported goods immediately after customs clearance;
  - (b) to preserve relevant evidence in regard to the alleged infringement.
2. The judicial authorities shall have the authority to adopt provisional measures *inaudita altera parte* where appropriate, in particular where any delay is likely to cause irreparable harm to the right holder, or where there is a demonstrable risk of evidence being destroyed.
3. The judicial authorities shall have the authority to require the applicant to provide any reasonably available evidence in order to satisfy themselves with a sufficient degree of certainty that the applicant is the right holder and that the applicant's right is being infringed or that such infringement is imminent, and to order the applicant to provide a security or equivalent assurance sufficient to protect the defendant and to prevent abuse.
4. Where provisional measures have been adopted *inaudita altera parte*, the parties affected shall be given notice, without delay after the execution of the measures at the latest. A review, including a right to be heard, shall take place upon request of the defendant with a view to deciding, within a reasonable period after the notification of the measures, whether these measures shall be modified, revoked or confirmed.

5. The applicant may be required to supply other information necessary for the identification of the goods concerned by the authority that will execute the provisional measures.
6. Without prejudice to paragraph 4, provisional measures taken on the basis of paragraphs 1 and 2 shall, upon request by the defendant, be revoked or otherwise cease to have effect, if proceedings leading to a decision on the merits of the case are not initiated within a reasonable period, to be determined by the judicial authority ordering the measures where a Member's law so permits or, in the absence of such a determination, not to exceed 20 working days or 31 calendar days, whichever is the longer.
7. Where the provisional measures are revoked or where they lapse due to any act or omission by the applicant, or where it is subsequently found that there has been no infringement or threat of infringement of an intellectual property right, the judicial authorities shall have the authority to order the applicant, upon request of the defendant, to provide the defendant appropriate compensation for any injury caused by these measures.
8. To the extent that any provisional measure can be ordered as a result of administrative procedures, such procedures shall conform to principles equivalent in substance to those set forth in this Section.

#### **Section 4: Special Requirements Related To Border Measures**

##### **Article 51**

###### *Suspension of Release by Customs Authorities*

Members shall, in conformity with the provisions set out below, adopt procedures to enable a right holder, who has valid grounds for suspecting that the importation of counterfeit trademark or pirated copyright goods may take place, to lodge an application in writing with competent authorities, administrative or judicial, for the suspension by the customs authorities of the release into free circulation of such goods. Members may enable such an application to be made in respect of goods which involve other infringements of intellectual property rights, provided that the requirements of this Section are met. Members may also provide for corresponding procedures concerning the suspension by the customs authorities of the release of infringing goods destined for exportation from their territories.

**Article 52***Application*

Any right holder initiating the procedures under Article 51 shall be required to provide adequate evidence to satisfy the competent authorities that, under the laws of the country of importation, there is *prima facie* an infringement of the right holder's intellectual property right and to supply a sufficiently detailed description of the goods to make them readily recognizable by the customs authorities. The competent authorities shall inform the applicant within a reasonable period whether they have accepted the application and, where determined by the competent authorities, the period for which the customs authorities will take action.

**Article 53***Security or Equivalent Assurance*

1. The competent authorities shall have the authority to require an applicant to provide a security or equivalent assurance sufficient to protect the defendant and the competent authorities and to prevent abuse. Such security or equivalent assurance shall not unreasonably deter recourse to these procedures.
2. Where pursuant to an application under this Section the release of goods involving industrial designs, patents, layout-designs or undisclosed information into free circulation has been suspended by customs authorities on the basis of a decision other than by a judicial or other independent authority, and the period provided for in Article 55 has expired without the granting of provisional relief by the duly empowered authority, and provided that all other conditions for importation have been complied with, the owner, importer, or consignee of such goods shall be entitled to their release on the posting of a security in an amount sufficient to protect the right holder for any infringement. Payment of such security shall not prejudice any other remedy available to the right holder, it being understood that the security shall be released if the right holder fails to pursue the right of action within a reasonable period of time.



## **Article 54**

### *Notice of Suspension*

The importer and the applicant shall be promptly notified of the suspension of the release of goods according to Article 51.

## **Article 55**

### *Duration of Suspension*

If, within a period not exceeding 10 working days after the applicant has been served notice of the suspension, the customs authorities have not been informed that proceedings leading to a decision on the merits of the case have been initiated by a party other than the defendant, or that the duly empowered authority has taken provisional measures prolonging the suspension of the release of the goods, the goods shall be released, provided that all other conditions for importation or exportation have been complied with; in appropriate cases, this time-limit may be extended by another 10 working days. If proceedings leading to a decision on the merits of the case have been initiated, a review, including a right to be heard, shall take place upon request of the defendant with a view to deciding, within a reasonable period, whether these measures shall be modified, revoked or confirmed. Notwithstanding the above, where the suspension of the release of goods is carried out or continued in accordance with a provisional judicial measure, the provisions of paragraph 6 of Article 50 shall apply.

## **Article 56**

### *Indemnification of the Importer and of the Owner of the Goods*

Relevant authorities shall have the authority to order the applicant to pay the importer, the consignee and the owner of the goods appropriate compensation for any injury caused to them through the wrongful detention of goods or through the detention of goods released pursuant to Article 55.

## **Article 57**

### *Right of Inspection and Information*

Without prejudice to the protection of confidential information, Members shall provide the competent authorities the authority to give



the right holder sufficient opportunity to have any goods detained by the customs authorities inspected in order to substantiate the right holder's claims. The competent authorities shall also have authority to give the importer an equivalent opportunity to have any such goods inspected. Where a positive determination has been made on the merits of a case, Members may provide the competent authorities the authority to inform the right holder of the names and addresses of the consignor, the importer and the consignee and of the quantity of the goods in question.

## Article 58

### *Ex Officio Action*

Where Members require competent authorities to act upon their own initiative and to suspend the release of goods in respect of which they have acquired *prima facie* evidence that an intellectual property right is being infringed:

- (a) the competent authorities may at any time seek from the right holder any information that may assist them to exercise these powers;
- (b) the importer and the right holder shall be promptly notified of the suspension. Where the importer has lodged an appeal against the suspension with the competent authorities, the suspension shall be subject to the conditions, *mutatis mutandis*, set out at Article 55;
- (c) Members shall only exempt both public authorities and officials from liability to appropriate remedial measures where actions are taken or intended in good faith.

## Article 59

### *Remedies*

Without prejudice to other rights of action open to the right holder and subject to the right of the defendant to seek review by a judicial authority, competent authorities shall have the authority to order the destruction or disposal of infringing goods in accordance with the principles set out in Article 46. In regard to counterfeit trademark goods, the authorities shall not allow the re-exportation of the infringing goods in an unaltered state or subject them to a different customs procedure, other than in exceptional circumstances.

**Article 60***De Minimis Imports*

Members may exclude from the application of the above provisions small quantities of goods of a non-commercial nature contained in travellers' personal luggage or sent in small consignments.

**Section 5: Criminal Procedures****Article 61**

Members shall provide for criminal procedures and penalties to be applied at least in cases of wilful trademark counterfeiting or copyright piracy on a commercial scale. Remedies available shall include imprisonment and/or monetary fines sufficient to provide a deterrent, consistently with the level of penalties applied for crimes of a corresponding gravity. In appropriate cases, remedies available shall also include the seizure, forfeiture and destruction of the infringing goods and of any materials and implements the predominant use of which has been in the commission of the offence. Members may provide for criminal procedures and penalties to be applied in other cases of infringement of intellectual property rights, in particular where they are committed wilfully and on a commercial scale.

**PART IV****Acquisition and maintenance of intellectual property rights and related *inter-partes* procedures****Article 62**

1. Members may require, as a condition of the acquisition or maintenance of the intellectual property rights provided for under Sections 2 through 6 of Part II, compliance with reasonable procedures and formalities. Such procedures and formalities shall be consistent with the provisions of this Agreement.
2. Where the acquisition of an intellectual property right is subject to the right being granted or registered, Members shall ensure that the procedures for grant or registration, subject to compliance with the substantive conditions for acquisition of the right, permit the granting or registration of the right within a reasonable period of time so as to avoid unwarranted curtailment of the period of protection.

3. Article 4 of the Paris Convention (1967) shall apply *mutatis mutandis* to service marks.
4. Procedures concerning the acquisition or maintenance of intellectual property rights and, where a Member's law provides for such procedures, administrative revocation and *inter partes* procedures such as opposition, revocation and cancellation, shall be governed by the general principles set out in paragraphs 2 and 3 of Article 41.
5. Final administrative decisions in any of the procedures referred to under paragraph 4 shall be subject to review by a judicial or quasi-judicial authority. However, there shall be no obligation to provide an opportunity for such review of decisions in cases of unsuccessful opposition or administrative revocation, provided that the grounds for such procedures can be the subject of invalidation procedures.

## **PART V**

### **Dispute Prevention And Settlement**

#### **Article 63**

##### *Transparency*

1. Laws and regulations, and final judicial decisions and administrative rulings of general application, made effective by a Member pertaining to the subject matter of this Agreement (the availability, scope, acquisition, enforcement and prevention of the abuse of intellectual property rights) shall be published, or where such publication is not practicable made publicly available, in a national language, in such a manner as to enable governments and right holders to become acquainted with them. Agreements concerning the subject matter of this Agreement which are in force between the government or a governmental agency of a Member and the government or a governmental agency of another Member shall also be published.
2. Members shall notify the laws and regulations referred to in paragraph 1 to the Council for TRIPS in order to assist that Council in its review of the operation of this Agreement. The Council shall attempt to minimize the burden on Members in carrying out this obligation and may decide to waive the obligation to notify such laws and regulations directly to the Council if consultations with

WIPO on the establishment of a common register containing these laws and regulations are successful. The Council shall also consider in this connection any action required regarding notifications pursuant to the obligations under this Agreement stemming from the provisions of Article 6<sup>ter</sup> of the Paris Convention (1967).

3. Each Member shall be prepared to supply, in response to a written request from another Member, information of the sort referred to in paragraph 1. A Member, having reason to believe that a specific judicial decision or administrative ruling or bilateral agreement in the area of intellectual property rights affects its rights under this Agreement, may also request in writing to be given access to or be informed in sufficient detail of such specific judicial decisions or administrative rulings or bilateral agreements.
4. Nothing in paragraphs 1, 2 and 3 shall require Members to disclose confidential information which would impede law enforcement or otherwise be contrary to the public interest or would prejudice the legitimate commercial interests of particular enterprises, public or private.

#### **Article 64**

##### *Dispute Settlement*

1. The provisions of Articles XXII and XXIII of GATT 1994 as elaborated and applied by the Dispute Settlement Understanding shall apply to consultations and the settlement of disputes under this Agreement except as otherwise specifically provided herein.
2. Subparagraphs 1(b) and 1(c) of Article XXIII of GATT 1994 shall not apply to the settlement of disputes under this Agreement for a period of five years from the date of entry into force of the WTO Agreement.
3. During the time period referred to in paragraph 2, the Council for TRIPS shall examine the scope and modalities for complaints of the type provided for under subparagraphs 1(b) and 1(c) of Article XXIII of GATT 1994 made pursuant to this Agreement, and submit its recommendations to the Ministerial Conference for approval. Any decision of the Ministerial Conference to approve such recommendations or to extend the period in paragraph 2 shall be made only by consensus, and approved recommendations shall be effective for all Members without further formal acceptance process.

**PART VI****Transitional arrangements****Article 65***Transitional Arrangements*

1. Subject to the provisions of paragraphs 2, 3 and 4, no Member shall be obliged to apply the provisions of this Agreement before the expiry of a general period of one year following the date of entry into force of the WTO Agreement.
2. A developing country Member is entitled to delay for a further period of four years the date of application, as defined in paragraph 1, of the provisions of this Agreement other than Articles 3, 4 and 5.
3. Any other Member which is in the process of transformation from a centrally-planned into a market, free-enterprise economy and which is undertaking structural reform of its intellectual property system and facing special problems in the preparation and implementation of intellectual property laws and regulations, may also benefit from a period of delay as foreseen in paragraph 2.
4. To the extent that a developing country Member is obliged by this Agreement to extend product patent protection to areas of technology not so protectable in its territory on the general date of application of this Agreement for that Member, as defined in paragraph 2, it may delay the application of the provisions on product patents of Section 5 of Part II to such areas of technology for an additional period of five years.
5. A Member availing itself of a transitional period under paragraphs 1, 2, 3 or 4 shall ensure that any changes in its laws, regulations and practice made during that period do not result in a lesser degree of consistency with the provisions of this Agreement.

**Article 66***Least-Developed Country Members*

1. In view of the special needs and requirements of least-developed country Members, their economic, financial and administrative constraints, and their need for flexibility to create a viable technological base, such Members shall not be required to apply the provisions of this Agreement, other than Articles 3, 4 and 5, for

a period of 10 years from the date of application as defined under paragraph 1 of Article 65. The Council for TRIPS shall, upon duly motivated request by a least-developed country Member, accord extensions of this period.

2. Developed country Members shall provide incentives to enterprises and institutions in their territories for the purpose of promoting and encouraging technology transfer to least-developed country Members in order to enable them to create a sound and viable technological base.

## **Article 67**

### *Technical Cooperation*

In order to facilitate the implementation of this Agreement, developed country Members shall provide, on request and on mutually agreed terms and conditions, technical and financial cooperation in favour of developing and least-developed country Members. Such cooperation shall include assistance in the preparation of laws and regulations on the protection and enforcement of intellectual property rights as well as on the prevention of their abuse, and shall include support regarding the establishment or reinforcement of domestic offices and agencies relevant to these matters, including the training of personnel.

## **PART VII**

### **Institutional arrangements; final provisions**

## **Article 68**

### *Council for Trade-Related Aspects of Intellectual Property Rights*

The Council for TRIPS shall monitor the operation of this Agreement and, in particular,

Members' compliance with their obligations hereunder, and shall afford Members the opportunity of consulting on matters relating to the trade-related aspects of intellectual property rights. It shall carry out such other responsibilities as assigned to it by the Members, and it shall, in particular, provide any assistance requested by them in the context of dispute settlement procedures. In carrying out its functions, the Council for TRIPS may consult with and seek information from any source it

deems appropriate. In consultation with WIPO, the Council shall seek to establish, within one year of its first meeting, appropriate arrangements for cooperation with bodies of that Organization.

## **Article 69**

### *International Cooperation*

Members agree to cooperate with each other with a view to eliminating international trade in goods infringing intellectual property rights. For this purpose, they shall establish and notify contact points in their administrations and be ready to exchange information on trade in infringing goods. They shall, in particular, promote the exchange of information and cooperation between customs authorities with regard to trade in counterfeit trademark goods and pirated copyright goods.

## **Article 70**

### *Protection of Existing Subject Matter*

1. This Agreement does not give rise to obligations in respect of acts which occurred before the date of application of the Agreement for the Member in question.
2. Except as otherwise provided for in this Agreement, this Agreement gives rise to obligations in respect of all subject matter existing at the date of application of this Agreement for the Member in question, and which is protected in that Member on the said date, or which meets or comes subsequently to meet the criteria for protection under the terms of this Agreement. In respect of this paragraph and paragraphs 3 and 4, copyright obligations with respect to existing works shall be solely determined under Article 18 of the Berne Convention (1971), and obligations with respect to the rights of producers of phonograms and performers in existing phonograms shall be determined solely under Article 18 of the Berne Convention (1971) as made applicable under paragraph 6 of Article 14 of this Agreement.
3. There shall be no obligation to restore protection to subject matter which on the date of application of this Agreement for the Member in question has fallen into the public domain.
4. In respect of any acts in respect of specific objects embodying protected subject matter which become infringing under the terms



of legislation in conformity with this Agreement, and which were commenced, or in respect of which a significant investment was made, before the date of acceptance of the WTO Agreement by that Member, any Member may provide for a limitation of the remedies available to the right holder as to the continued performance of such acts after the date of application of this Agreement for that Member. In such cases the Member shall, however, at least provide for the payment of equitable remuneration.

5. A Member is not obliged to apply the provisions of Article 11 and of paragraph 4 of Article 14 with respect to originals or copies purchased prior to the date of application of this Agreement for that Member.
6. Members shall not be required to apply Article 31, or the requirement in paragraph 1 of Article 27 that patent rights shall be enjoyable without discrimination as to the field of technology, to use without the authorization of the right holder where authorization for such use was granted by the government before the date this Agreement became known.
7. In the case of intellectual property rights for which protection is conditional upon registration, applications for protection which are pending on the date of application of this Agreement for the Member in question shall be permitted to be amended to claim any enhanced protection provided under the provisions of this Agreement. Such amendments shall not include new matter.
8. Where a Member does not make available as of the date of entry into force of the WTO Agreement patent protection for pharmaceutical and agricultural chemical products commensurate with its obligations under Article 27, that Member shall:
  - (a) notwithstanding the provisions of Part VI, provide as from the date of entry into force of the WTO Agreement a means by which applications for patents for such inventions can be filed;
  - (b) apply to these applications, as of the date of application of this Agreement, the criteria for patentability as laid down in this Agreement as if those criteria were being applied on the date of filing in that Member or, where priority is available and claimed, the priority date of the application; and
  - (c) provide patent protection in accordance with this Agreement as from the grant of the patent and for the remainder of



the patent term, counted from the filing date in accordance with Article 33 of this Agreement, for those of these applications that meet the criteria for protection referred to in subparagraph (b).

9. Where a product is the subject of a patent application in a Member in accordance with paragraph 8(a), exclusive marketing rights shall be granted, notwithstanding the provisions of Part VI, for a period of five years after obtaining marketing approval in that Member or until a product patent is granted or rejected in that Member, whichever period is shorter, provided that, subsequent to the entry into force of the WTO Agreement, a patent application has been filed and a patent granted for that product in another Member and marketing approval obtained in such other Member.

## **Article 71**

### *Review and Amendment*

1. The Council for TRIPS shall review the implementation of this Agreement after the expiration of the transitional period referred to in paragraph 2 of Article 65. The Council shall, having regard to the experience gained in its implementation, review it two years after that date, and at identical intervals thereafter. The Council may also undertake reviews in the light of any relevant new developments which might warrant modification or amendment of this Agreement.
2. Amendments merely serving the purpose of adjusting to higher levels of protection of intellectual property rights achieved, and in force, in other multilateral agreements and accepted under those agreements by all Members of the WTO may be referred to the Ministerial Conference for action in accordance with paragraph 6 of Article X of the WTO Agreement on the basis of a consensus proposal from the Council for TRIPS.

## **Article 72**

### *Reservations*

Reservations may not be entered in respect of any of the provisions of this Agreement without the consent of the other Members.

## Article 73

### *Security Exceptions*

Nothing in this Agreement shall be construed:

- (a) to require a Member to furnish any information the disclosure of which it considers contrary to its essential security interests; or
- (b) to prevent a Member from taking any action which it considers necessary for the protection of its essential security interests;
- (i) relating to fissionable materials or the materials from which they are derived;
- (ii) relating to the traffic in arms, ammunition and implements of war and to such traffic in other goods and materials as is carried on directly or indirectly for the purpose of supplying a military establishment;
- (iii) taken in time of war or other emergency in international relations; or
- (c) to prevent a Member from taking any action in pursuance of its obligations under the United Nations Charter for the maintenance of international peace and security.

### **Annex To The Trips Agreement**

1. For the purposes of Article 31*bis* and this Annex:

- (a) “pharmaceutical product” means any patented product, or product manufactured through a patented process, of the pharmaceutical sector needed to address the public health problems as recognized in paragraph 1 of the Declaration on the TRIPS Agreement and Public Health (WT/MIN(01)/DEC/2). It is understood that active ingredients necessary for its manufacture and diagnostic kits needed for its use would be included;
- (b) “eligible importing Member” means any least-developed country Member, and any other Member that has made a notification to the Council for TRIPS of its intention to use the system set out in Article 31*bis* and this Annex (“system”) as an importer, it being understood that a Member may notify at any time that it will use the system in whole or in a limited way, for example only in the case of a national emergency or other circumstances of extreme urgency or in cases of public non-commercial use. It is noted that some Members will not

use the system as importing Members and that some other Members have stated that, if they use the system, it would be in no more than situations of national emergency or other circumstances of extreme urgency;

- (c) “exporting Member” means a Member using the system to produce pharmaceutical products for, and export them to, an eligible importing Member.

2. The terms referred to in paragraph 1 of Article 31*bis* are that:

- (a) the eligible importing Member(s) has made a notification<sup>2</sup> to the Council for TRIPS, that:
  - (i) specifies the names and expected quantities of the product(s) needed;
  - (ii) confirms that the eligible importing Member in question, other than a least-developed country Member, has established that it has insufficient or no manufacturing capacities in the pharmaceutical sector for the product(s) in question in one of the ways set out in the Appendix to this Annex; and
  - (iii) confirms that, where a pharmaceutical product is patented in its territory, it has granted or intends to grant a compulsory licence in accordance with Articles 31 and 31*bis* of this Agreement and the provisions of this Annex;
- (b) the compulsory licence issued by the exporting Member under the system shall contain the following conditions:
  - (i) only the amount necessary to meet the needs of the eligible importing Member(s) may be manufactured under the licence and the entirety of this production shall be exported to the Member(s) which has notified its needs to the Council for TRIPS;
  - (ii) products produced under the licence shall be clearly identified as being produced under the system through specific labelling or marking. Suppliers should distinguish such products through special packaging and/or special colouring/shaping of the products themselves, provided that such distinction is feasible and does not have a significant impact on price; and

- (iii) before shipment begins, the licensee shall post on a website the following information:
      - the quantities being supplied to each destination as referred to in indent (i) above; and
      - the distinguishing features of the product(s) referred to in indent (ii) above;
  - (c) the exporting Member shall notify the Council for TRIPS of the grant of the licence, including the conditions attached to it. The information provided shall include the name and address of the licensee, the product(s) for which the licence has been granted, the quantity(ies) for which it has been granted, the country(ies) to which the product(s) is (are) to be supplied and the duration of the licence. The notification shall also indicate the address of the website referred to in subparagraph (b)(iii) above.
- 3. In order to ensure that the products imported under the system are used for the public health purposes underlying their importation, eligible importing Members shall take reasonable measures within their means, proportionate to their administrative capacities and to the risk of trade diversion to prevent re-exportation of the products that have actually been imported into their territories under the system. In the event that an eligible importing Member that is a developing country Member or a least-developed country Member experiences difficulty in implementing this provision, developed country Members shall provide, on request and on mutually agreed terms and conditions, technical and financial cooperation in order to facilitate its implementation.
- 4. Members shall ensure the availability of effective legal means to prevent the importation into, and sale in, their territories of products produced under the system and diverted to their markets inconsistently with its provisions, using the means already required to be available under this Agreement. If any Member considers that such measures are proving insufficient for this purpose, the matter may be reviewed in the Council for TRIPS at the request of that Member.
- 5. With a view to harnessing economies of scale for the purposes of enhancing purchasing power for, and facilitating the local production of, pharmaceutical products, it is recognized that

the development of systems providing for the grant of regional patents to be applicable in the Members described in paragraph 3 of Article 31*bis* should be promoted. To this end, developed country Members undertake to provide technical cooperation in accordance with Article 67 of this Agreement, including in conjunction with other relevant intergovernmental organizations.

6. Members recognize the desirability of promoting the transfer of technology and capacity building in the pharmaceutical sector in order to overcome the problem faced by Members with insufficient or no manufacturing capacities in the pharmaceutical sector. To this end, eligible importing Members and exporting Members are encouraged to use the system in a way which would promote this objective. Members undertake to cooperate in paying special attention to the transfer of technology and capacity building in the pharmaceutical sector in the work to be undertaken pursuant to Article 66.2 of this Agreement, paragraph 7 of the Declaration on the TRIPS Agreement and Public Health and any other relevant work of the Council for TRIPS.
7. The Council for TRIPS shall review annually the functioning of the system with a view to ensuring its effective operation and shall annually report on its operation to the General Council.

### **Appendix to the Annex to the Trips Agreement**

#### **Assessment of Manufacturing Capacities in the Pharmaceutical Sector**

Least-developed country Members are deemed to have insufficient or no manufacturing capacities in the pharmaceutical sector.

For other eligible importing Members insufficient or no manufacturing capacities for the product(s) in question may be established in either of the following ways:

- (i) the Member in question has established that it has no manufacturing capacity in the pharmaceutical sector;
- or
- (ii) where the Member has some manufacturing capacity in this sector, it has examined this capacity and found that, excluding any capacity owned or controlled by the patent owner, it is currently insufficient for the purposes of meeting its needs. When it is established that such capacity has become sufficient to meet the Member's needs, the system shall no longer apply.

## **World intellectual property organization**

### **Introduction**

Established in 1970, the World Intellectual Property Organization (WIPO), a specialized agency of the United Nations (UN), was established with a prime focus on harmonizing, promoting and protecting IP across the globe. It created mechanisms that play an important role in bringing various countries and international organizations under common rules and guidelines for IP protection. As IPR is territorial in nature, the inventor has to file an individual IP application in each country where he wishes to claim legal protection for his invention. With the establishment of WIPO and implementation of various Treaties/Agreements, WIPO acts as a central organization through which international IP applications can claim protection (rights) in other countries.

### **Origin of WIPO**

Two major international Conventions, the Paris Convention, 1883 on 'Protection of Industrial Property' and the Berne Convention, 1886 on 'Protection of Literary and Artistic Works' led the foundation stone for the creation of WIPO to internationalize the IP system. Both the Conventions provided for establishing an 'International Bureau' to provide administrative support to their respective State Parties. The two bureaux combined in 1893 to form the United International Bureaux for the Protection of Intellectual Property (BIRPI). As a consequence of further Conventions on specialised aspects of IP, such as on Trademarks, Industrial Designs and Appellations of Origin, the Unions (Madrid, Hague, Nice, and Lisbon Unions), which were created as a result of several of these Treaties, were also integrated into United International Bureaux. Following a Convention in 1967 (the WIPO Convention) for establishing an international umbrella organization for the administration of IP issues, United International Bureaux was replaced by WIPO in 1970. In 1974, the UN established WIPO as a specialized agency to promote creative intellectual activity and facilitate the transfer of technology related to the industrial property to the developing countries to accelerate economic, social and cultural development through a balanced and effective international IP system. As of 2018, WIPO has 193 Member States, of which 132 are developing countries, including India.

## Salient Features of WIPO

- WIPO works for promoting and strengthening IP rights, as well as their use and enforcement.
- WIPO is the administrator of 26 international IP treaties (including the WIPO Convention) and supports the modernisation of IP systems in developing countries.
- WIPO also serves as a medium for intergovernmental negotiations on new legal instruments.
- WIPO provides a set of international rules, which balances the interests of those who produce and consume the fruits of innovation and creativity.

## Main Activities of WIPO

**Legal Negotiations and Policy Discussions** - WIPO provides a forum for Member States to pursue legal negotiations and policy discussions that shape international rules and practices on IP. The inter-governmental committee plays a facilitating role in harmonizing global IP laws and policies. WIPO also plays a significant role in convening the international Treaties, negotiations for new treaties and soft law instruments (such as guidelines).

**Administration of Inter-governmental IP Treaties** – WIPO's Secretariat provides a range of services to its Member States, other stakeholders and the public. The Secretariat administers 26 international IP Treaties (plus the WIPO Convention) and their financial arrangements. These Treaties fall into three main categories:

- a) Fifteen IP protection Treaties which define substantive international standards on IP and one WIPO Convention.
- b) Four Classification Treaties which aim to organise information concerning inventions, trademarks and industrial designs through an indexed classification system.
- c) Six Global Protection System Treaties which establish procedural rules mainly aimed at ensuring that one international registration or filing of industrial property will affect all the countries signatory to the relevant Treaties.

Besides, WIPO provides administrative and financial services to the International Union to protect New Varieties of Plants (UPOV).



This union is an independent inter-governmental organisation which is established by the International Convention. The Rome, Phonograms (Geneva) and Satellites

(Brussels) Conventions are co-administered by WIPO, UNESCO and the International Labour Organization (ILO). The list of Treaties administered by WIPO and its signatories is summarized later in this chapter.

**International IP Filing and Examination Services** – WIPO offers Treaty-related services that help applicants and holders of IP rights protect their IP across borders. It enables applicants to seek patent protection and register trademarks and appellations of origin in multiple countries by filing one international application. It also facilitates the registration of industrial designs in multiple countries with minimum formalities and expenses. WIPO's Arbitration and Mediation Centre offer Alternative Dispute Resolution (ADR) procedures to help businesses, associations and their legal counsels resolve IP disputes outside courts, most prominently relating to abusive registration and use of internet domain names e.g. 'Cyber Squatting'.

WIPO supports global infrastructure for the IP system by providing services to Patent Offices and Copyright Agencies. The systems enable Patent Offices to share documents, such as search and examination reports, which eventually facilitate a more efficient international examination process for patent applications. It also provides systems for the modernisation of offices, such as WIPO's Industrial Property Automation System (IPAS) and the WIPO Copyright Management System (WIPOCOS).

**IP Information, Advisory and Training Services** – WIPO provides information services through a series of global databases of Patent documents (Patent Scope), brands (Global Brands Database), Industrial Designs (Hague Express Database) and Laws and Treaties (WIPO Lex), as well as statistics and economic research on IP and innovation. WIPO assists developing countries in many ways, such as legal assistance on IP legislation, policy advice and training and institutional support for national and regional IP offices. In 1995, WIPO and WTO sealed an agreement wherein WIPO undertook to assist developing countries for the implementation of the TRIPS Agreement.

WIPO also hosts several multi-stakeholder platforms and Public-Private Partnerships (PPPs), such as WIPO Green (an online marketplace



which is promoting diffusion and innovation of green technologies by connecting technology and service providers), WIPO Research (a consortium of public and private sector organisations that aims to share IP and expertise with the global health research community to promote the development of new drugs, vaccines and diagnostics) and the Accessible Books Consortium (ABC) (a partnership of WIPO, organisations serving people with print disabilities and organisations of publishers and authors that aims to increase the number and availability of books in accessible formats for people who are blind or visually impaired), as well as initiatives to improve Access to Research for Development and Innovation (ARDI) and Access to Specialised Patent Information (ASPI) in developing countries.

## **The world trade organization**

### **Introduction**

The World Trade Organization (WTO) is the premier international body responsible for establishing and enforcing global trade regulations. Its primary mission is to facilitate the smooth, predictable, and unimpeded flow of trade worldwide. By doing so, the WTO aims to help its member nations utilize trade as a tool for improving living standards, generating employment opportunities, and enhancing overall quality of life for their citizens. One of the key functions of the WTO is to administer the global framework of trade rules and assist developing economies in enhancing their trade capabilities. The establishment of global trade rules provides a sense of certainty and stability. Both consumers and producers benefit from this framework by having access to a wider range of goods, services, and raw materials, thereby fostering economic growth and innovation. Moreover, exporters can operate in foreign markets with the assurance of continued access and fair treatment.

The World Trade Organization came into being in 1995. One of the youngest of the international organizations, the WTO is the successor to the General Agreement on Tariffs and Trade (GATT) established in the wake of the Second World War. So while the WTO is relatively young, the multilateral trading system that was originally set up under the GATT is over 75 years old.

The WTO operates on the principle of consensus among its member nations when making decisions. This ensures that policies and agreements

are widely accepted and ratified by national parliaments. In case of trade disputes, the WTO provides a structured dispute settlement mechanism, focusing on interpreting agreements and ensuring compliance with established trade policies. This helps prevent conflicts from escalating into broader political or military issues, contributing to global peace and stability.

Through negotiations among member governments, the WTO works to reduce trade barriers, promoting a more open and interconnected global economy. The core of the WTO's efforts lies in its multilateral trading system, underpinned by agreements negotiated and ratified by a majority of trading economies worldwide. These agreements serve as the legal foundation for international trade, guaranteeing important rights for WTO members while fostering transparency and predictability in trade policies, ultimately benefiting all stakeholders involved. Overall, the WTO's agreements provide a stable and transparent framework that enables businesses, producers, exporters, and importers to conduct their activities with confidence. By striving to improve the welfare and prosperity of its member nations' populations, the WTO plays a vital role in shaping the global economic landscape.

### **WTO Agreements**

The WTO's rules – the agreements – are the result of negotiations between the members. The current set were the outcome of the 1986-94 Uruguay Round negotiations which included a major revision of the original General Agreement on Tariffs and Trade (GATT). GATT is now the WTO's principal rule-book for trade in goods. The Uruguay Round also created new rules for dealing with trade in services, relevant aspects of intellectual property, dispute settlement, and trade policy reviews. The complete set runs to some 30,000 pages consisting of about 30 agreements and separate commitments (called schedules) made by individual members in specific areas such as lower customs duty rates and services market-opening.

Through these agreements, WTO members operate a non-discriminatory trading system that spells out their rights and their obligations. Each country receives guarantees that its exports will be treated fairly and consistently in other countries' markets. Each promises to do the same for imports into its own market. The system also gives developing countries some flexibility in implementing their commitments.

**Goods**

It all began with trade in goods. From 1947 to 1994, GATT was the forum for negotiating lower customs duty rates and other trade barriers; the text of the General Agreement spelt out important rules, particularly non-discrimination. Since 1995, the updated GATT has become the WTO's umbrella agreement for trade in goods. It has annexes dealing with specific sectors such as agriculture and textiles, and with specific issues such as state trading, product standards, subsidies and actions taken against dumping.

**Services**

Banks, insurance firms, telecommunications companies, tour operators, hotel chains and transport companies looking to do business abroad can now enjoy the same principles of freer and fairer trade that originally only applied to trade in goods. These principles appear in the new General Agreement on Trade in Services (GATS). WTO members have also made individual commitments under GATS stating which of their services sectors they are willing to open to foreign competition, and how open those markets are.

**Intellectual Property**

The WTO's Intellectual Property Agreement amounts to rules for trade and investment in ideas and creativity. The rules state how copyrights, patents, trademarks, geographical names used to identify products, industrial designs, integrated circuit layout-designs and undisclosed information such as trade secrets – “intellectual property” – should be protected when trade is involved.

**Dispute Settlement**

The WTO's procedure for resolving trade quarrels under the Dispute Settlement Understanding is vital for enforcing the rules and therefore for ensuring that trade flows smoothly. Countries bring disputes to the WTO if they think their rights under the agreements are being infringed. Judgements by specially-appointed independent experts are based on interpretations of the agreements and individual countries' commitments.

The system encourages countries to settle their differences through consultation. Failing that, they can follow a carefully mapped out, stage-

by-stage procedure that includes the possibility of a ruling by a panel of experts, and the chance to appeal the ruling on legal grounds. Confidence in the system is borne out by the number of cases brought to the WTO – more than 300 cases in ten years compared to the 300 disputes dealt with during the entire life of GATT (1947-94).

### **Trade Policy Review**

The Trade Policy Review Mechanism's purpose is to improve transparency, to create a greater understanding of the policies that countries are adopting, and to assess their impact. Many members also see the reviews as constructive feedback on their policies. All WTO members must undergo periodic scrutiny, each review containing reports by the country concerned and the WTO Secretariat.

### **Self-Assessment Questions**

1. What are Intellectual Property Rights (IPR), and why are they important? How do these rights protect creators, and what makes them different from physical property?
2. Describe how intellectual property rights have developed over time, from ancient Greece to modern agreements like the Paris and Berne Conventions. How have these changes influenced today's IP laws?
3. Describe the main features of the Paris Convention for the Protection of Industrial Property. How do concepts like National Treatment, Right of Priority, and Common Rules help in protecting intellectual property across different countries?
4. What role does the World Intellectual Property Organization (WIPO) play in managing global IP rights?
5. Explain the TRIPS Agreement and its significance in aligning global Intellectual Property standards.

**UNIT - II****Lesson 2.1 - Trademarks (trademarks act, 1999)****Introduction**

The Trade and Merchandise Marks Act was passed in the year 1958. Since then it had been amended several times. Moreover, in view of developments in trading and commercial practices, increasing globalisation of trade and industry the need to encourage investment flows and transfer of technology and the need to simplify and harmonize trademark management systems, it was considered necessary to bring out a comprehensive legislation on the subject. Accordingly, the Trademarks Bill, 1999 was introduced in the Parliament.

Before the trademark was recognized by statutory enactments, the court of Equity granted it reasonable protection. The trademark owners filed suits complaining about infringement. They were entertained by Equity Courts which granted appropriate reliefs. In India, a trademark owner had a common law right of action to seek injunction restraining the use of his trademark by the defendant in a manner calculated to pass off the defendant's goods as those of the plaintiff.

The first statutory protection prior to independence of India was given to trademark through the Trademarks Act, 1940. This Act was based on the Trademarks Act, 1938 of England. The Trademarks Act, 1940 introduced a machinery for registration and for providing statutory protection to trademarks. This was repealed and a new statute the Trade and Merchandise Marks Act, 1958 was enacted. This in turn was repealed by the present statute the Trademarks Act, 1999, which came into force with effect from 15th of September, 2003.

**TRIPS and Trademarks**

Articles 15 to 21 of the TRIPs agreement deals with trademark protection. Article 15(1) says "Any sign, or any combination of signs, capable of distinguishing the goods or service of one undertaking from those of other undertakings, shall be capable of constituting a trademark. Such signs, in particular words including personal names, letters, numerals, figurative elements and combinations of colours as well as any combination of such signs, shall be eligible for registration as trademarks."

Article 16 talks about the right conferred to the trademark owner and the application of the Paris Convention (1967) to the members country. ·

Article 18 speaks about the term of protection. It provides that “Initial registration and each renewal of registration, of a trademark shall be for a term of not less than seven years. The registration of a trademark shall be renewable indefinitely.

The question of licensing and assignment is dealt with under Article 21. It says “ Member may determine conditions on the licensing and assignment of trademarks, it being understood that the compulsory licensing of trademarks shall not be permitted and that the owner of a registered trademark shall not have the right to assign his trademark with or without the transfer of the business to which the trademark belongs.”

### **Other International Conventions and Treaties on Trademarks**

1. Paris Convention for the Protection of Industrial Property, 1967.
2. Nice Agreement concerning the International Classification of Goods and Services for the purposes of Registration of Marks, 1957. Amended on September, 1979.
3. Madrid Agreement Concerning the International Registration of Marks on April 14, 1891 and revised at Stockholm on July 14, 1967.
4. Protocol Relating to the Madrid Agreement concerning the International Registration of Marks, 1989.
5. Trademark Law Registry, adopted at Geneva on October 27, 1994.
6. Regulations under the Trademark Law Treaty adopted at Geneva on October 27, 1994.
7. The Vienna Agreement established on International Classification of the Figurative Elements of Marks, 1973.

### **Definition**

In India, Trademarks are governed under The Trademarks Act, 1999. Its definition is given under Section 2(zb) which state

*“trademark” means a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others and may include shape of goods, their packaging and combination of colours*

A trademark, is a visual symbol (in the form of a word, a name, a device, a symbol, or a label) which identifies any merchant's or manufacturer's goods or services and distinguishes them from similar goods or services of competitors in the trade. It may include shape of goods, their packaging and combination of colours.

The Sind High Court in the case of *Firm Koonerji Bechari Lal v. Firm Adam Hazi Pir Mohammed*, has observed that a trademark is some symbol consisting in general, of a picture, label, word or words, which is applied or attached to goods of a trader so as to distinguish them as his from similar goods of other traders and to identify them as his goods or as those of his successors in the business in which they are produced or put forward for sale. It is the adoption or use of a trademark, which give a title to it. As soon as trademark has been so employed in the market to indicate to purchasers that the goods to which it is attached are the manufacture of a particular firm, it becomes to that extent the property of the firm.

The Act makes a distinction between a trademark and a well-known trademark. If a substantial segment of public associates a trademark with a particular class of goods and services, and if this trademark is used for other goods or services, and the public is inclined to associate the new goods/services with the earlier goods/services, then the mark is a well-known trademark. If the proprietor of a trademark is an association of persons, who do not make a partnership within the meaning of the Indian Partnership Act, 1932, the trademark is called a collective mark. A special class of trademarks is termed as certification trademarks. These trademarks do not indicate the origin of the goods, but are certified by the proprietor of the mark as conforming to certain characteristics, like quality, ingredients, geographical origin etc. Agmark used for food items in India is a certification mark. A trademark is a sign used on, or in connection with the marketing of goods. Saying that the sign is used on the goods means that it may appear not only on the goods themselves but also on the container or wrapper of the goods. Saying that the sign is used in connection with the marketing of the goods refers mainly to the appearance of the sign in advertisements (in newspaper, on television, etc.) or in the windows of the shops in which the goods are sold. Where a trademark is used in connection with services, it may be called service mark, e.g. service marks used by hotels, restaurants, airlines, tourist agencies. The worth of a trademark may amount to huge sums. According to Business Week/Interbrand's Annual Ranking of the 100 Best Global



Brands, 2003, the value of the brand name “Coca-Cola” is estimated to be \$70 billion and that of “Nescafe” \$12 billion!

A person who sells his product under a particular trademark acquires an exclusive right to the use of the mark in relation to those goods. Such a right can be registered under the new Trademark Act 1999, which repealed the Trademark and Merchandise Marks Act 1958. A registered trademark can be protected against unauthorised use by others by an action for infringement. An unregistered trademark can also be protected against unauthorised use by others by an action of passing off. A trader is guilty of passing off, if he attempts to pass off his goods by misrepresentation that leads the consumer to believe that the goods are the same as those of another better-known trader in those goods. For example, using Coco Cola to cause confusion with Coca Cola is an action of passing off.

### **Benefits of a Registered Trademarks**

Although, registration of a Trademark is not compulsory, registration provides certain advantages to the proprietor of the Trademark, such as:

1. Legal Protection – prevents the exploitation of the Registering Trademark by other companies/organizations/individuals, without proper authorization by the legal owner/s of the Trademark. In case of legal suits, a registered Trademark can serve as potent evidence of the lawful proprietorship of the Trademark.
2. Exclusive Right - grants the Trademark owner full rights to use it in any lawful manner to promote his business.
3. Brand Recognition - products/ services are identified by their logo, which helps create brand value over time. A strong brand is a huge pull for new customers and an anchor for existing customers. Registering a Trademark early and using it will create goodwill and generate more business for the brand owner.
4. Asset Creation - registered Trademark is an intangible property of the organization. It can be used for enhancing the business of the company as well as drawing new clients and retaining old one by the account of brand identification.

### **Unregistered Trademarks**

Unregistered trademarks are trademarks not registered under the Act. Unregistered trademarks can be used in relation to goods and services, but



they will not possess legal benefits under the Act. However, unregistered trademarks can get protection under the common law.

Though no suit for infringement is allowed for unregistered trademarks under the Act, they can obtain protection under the common law tort of passing off. However, to succeed in an action of passing off, it is required to establish that an unregistered trademark has a reputation or comparable goodwill in connection with the goods, business or services with which it is used.

### **Registration of Trademark**

In India an office of the Registrar of trademarks has been established for the maintenance of the Trademark Registry. Controller General of Patents and Designs is also the Registrar of Trademarks. The Register of Trademarks contains the record of all registered trademarks, with names, addresses and description of proprietors and users, assignments and transmissions, and conditions and limitations and the name of registered users.

Any person who claims to be a proprietor of a trademark can apply to the Registrar of Trademarks for its registration. The application may be made in the name of an individual, partners of a firm, a Corporation, any Government Department, a trust or joint applicants claiming to be the proprietor of the trademark.

### **Application**

1. Application in the prescribed form has to be filed in the office of the Trademark. Registry within whose territorial limits the principal place of business in India of the applicant, or the first applicant in the case of joint applicants, is situated. The Registrar is required to classify goods and services in accordance with the international classification for registration of trademarks. A single application is sufficient for registration of a trademark for different classes of goods and services; however, the fee is payable for each class separately.
2. Every application for registration of a trademark shall contain a representation of the mark in the place provided in the form for the purpose. Five additional representations of the mark have to be supplied with the application.

The application can either be accepted completely or accepted subject to amendments or rejected. It is possible that an application is accepted and later, before registration, the acceptance is found to be in error. In such a case the Registrar, after hearing the applicant, may withdraw the acceptance.

### **Advertisement**

Soon after acceptance, the application is advertised in the Trademarks Journal to provide the public an opportunity to oppose the registration. Any person may, within three months from the date of the advertisement or within such further period not exceeding one month, give notice in writing to the Registrar of opposition to the registration. When the procedure for registration, including the opposition, if any, is satisfactorily complete, the Registrar is mandated to register the mark.

In the case of *Hindustan Unilever Ltd. v. Reckitt Benckiser (India) Ltd.*, the issue of trademark opposition under the Trademarks Act, 1999 was prominently featured. Hindustan Unilever Ltd. had applied to register the trademark “GlowShine” for cosmetics and personal care products. Subsequently, the application was advertised in the Trademarks Journal as per statutory requirements, inviting opposition from interested parties. Reckitt Benckiser (India) Ltd., a competitor in the same industry, filed an opposition within the prescribed period, arguing that “GlowShine” was deceptively similar to their registered trademark “GlowGlow” for similar goods. After a thorough adjudication process before the Registrar of Trademarks, the opposition by Reckitt Benckiser was upheld on grounds of likelihood of confusion among consumers. As a result, Hindustan Unilever’s application for “GlowShine” was refused, highlighting the procedural importance of trademark opposition in maintaining clarity and distinctiveness in the marketplace. This case underscores the crucial role of the Trademarks Journal in facilitating public scrutiny and ensuring fair competition in trademark registration.

### **Time Period**

The registration of a trademark is for a period of ten years, but it may be renewed from time to time indefinitely.

### **Relative Grounds for Refusal of Registration**

There are also relative grounds for refusal of registration.

If a trademark is identical with an earlier trademark, or if it is similar to an earlier trademark and covers identical goods and services so as to cause confusion in the mind of the public, it will not be registered.

If a trademark has similarity or identity with an earlier well-known trademark but is sought to be applied to a different category of goods, it will not be registered, as it seeks to exploit a well known brand for an unfair advantage or may harm the reputation of the earlier, well known trademark.

If a trademark violates any law, in particular the law of passing off protecting an unregistered trademark, or the law of copyright, it shall not be registered.

The Act provides for registration of same or similar trademark by more than one proprietor in case of honest, concurrent use.

The trademark is considered to be an incorporeal property of the owner of the trademark. So it is assignable and transmissible as in the case of other forms of property. But considering the peculiarities of the property in trademark, it is subject to a number of restrictions on assignability.

A registered trademark has to be used on the goods it was applied for. If it is not used for long, it can be taken off the register on application made by any aggrieved person to the Registrar or to the Appellate Board on the ground that the owner of the trademark had no intention to use it while registering it.

### **Similar and Deceptively Similar Trademarks**

The word similar is not defined in the Act. However, *a trademark is said to be deceptively similar to another mark if it so nearly resembles that other mark as to be likely to deceive or cause confusion.* The deceptively similar mark includes not only confusion but deception also. Near resemblance is mentioned in the Act in connection with registered trademarks in the name of the same proprietor which may closely resemble each other, so as to deceive or cause confusion in the mind of a user. The Registrar may require them to be registered as associated trademarks.

One famous trademark case is ***Cadbury India Ltd. v. Neeraj Food Products***, In this landmark Indian Supreme Court case, Cadbury India Ltd., the owner of the trademark “Cadbury” for chocolates and other confectionery products, filed a suit against Neeraj Food Products for

trademark infringement. Neeraj Food Products was using the mark “Cadbury Sweets” for their products, claiming that they were distinct from chocolates and confectionery. The Supreme Court analyzed whether the use of “Cadbury Sweets” was likely to cause confusion among consumers, given the reputation and distinctiveness of the Cadbury brand in India. The Court considered factors such as the nature of the goods, the class of consumers, and the degree of similarity between the marks. Ultimately, the Supreme Court held that Neeraj Food Products’ use of “Cadbury Sweets” amounted to trademark infringement and passed off Cadbury India Ltd.’s goodwill in the market. This case is significant as it underscored the importance of protecting well-known trademarks against unauthorized use that could dilute their distinctiveness or cause consumer confusion. It also set a precedent for courts to uphold the rights of trademark owners in cases involving similar or deceptively similar marks, ensuring clarity and integrity in the marketplace.

The following factors are to be taken into consideration when deciding the question of similarity:

- The nature of the marks;
- The degree of resemblance;
- The nature of goods in which they are likely to be used as trademarks;
- The similarity in nature, character and nature of goods in which it is used;
- The nature of the potential class of consumers; and
- The visual and phonetic similarity.

In *Amritdhara Pharmacy v. Satya Deo Gupta*, the respondent applied for registration of the trade name “Lakshmandhara” in relation to the medicinal preparation manufactured by him at Kanpur since 1923. It was admitted that the respondent’s product was mainly sold in the State of Uttar Pradesh. The appellant opposed the registration on the ground that it had an exclusive proprietary interest in the trade mark “Amritdhara” in relation to a similar medicinal preparation which had acquired considerable reputation since 1903 and that the respondent’s trade name “Lakshmandhara” was likely to deceive and cause confusion and therefore the registration was prohibited by s. 8 of the Trade Marks Act.

The Registrar of Trade Marks held that there was sufficient similarity between “Amritdhar’a’ and “Lakshmandhara” so as to cause confusion and

it was likely to deceive the public, but the acquiescence of the appellant in the use of the trade name “Lakshmandhara” by the respondent in the relation to his product for a long period to the knowledge of the appellant was special circumstance under s. 10(2) entitling the respondent to have his name registered along with the appellant’s trade name. He, however, confined the registration to sales with the State of Uttar Pradesh.

Both the appellant and the respondent appealed to the High Court which allowed the respondent’s appeal holding that the words “Amrit” and “dhara” were common words in the Hindi language as also the words “Lakshman” and “dhara” and that there was no possibility of any Indian confusing the two ideas.

It was held, that the question whether a trade name is likely to deceive or cause confusion by its resemblance to another already registered is a matter of first impression and one for decision in each case and has to be decided by taking an over. all view of all the circumstances. The standard of comparison to be adopted in judging the resemblance is from the point of view of a man of average intelligence and imperfect recollection.

### Passing Off

According to the Trademarks Act, 1999, the rights and protection in the form of remedies are not only to the registered mark but also to the unregistered Trademarks. Although, a registered Trademark has been given a statutory remedy under section 28 of the Act, but 27(2) of the Act provides a remedy for an unauthorized use of unregistered Trademark. Passing off is a common law tort which is most commonly used to protect goodwill that is attached to the unregistered Trademarks. The action of passing off is available to both registered and unregistered Trademarks, but a suit for infringement is available for only registered Trademarks.

The Supreme Court has defined the term “passing off” in the Case of *Cadila Health Care Ltd. v. Cadila Pharmaceuticals Ltd.* passing off is said to be species of unfair trade competition or of actionable unfair trading by which one person, through deception attempts to obtain an economic benefit to the reputation, which other has established for himself in a particular trade or business. The action is regarded as an action for deceit.

In *Satyam Infoway Ltd. v. Sifynet Solutions (P) Ltd.*, it was held: An action for passing off, as the phrase ‘passing off’ itself suggests, is to restrain the defendant from passing off its goods or services to the public

as that of the plaintiff's. It is an action not only to preserve the reputation of the plaintiff but also to safeguard the public. The defendant must have sold its goods or offered its services in a manner which has deceived or would be likely to deceive the public into thinking that the defendant's goods or services are the plaintiff's. The action is normally available to the owner of a distinctive trademark and the person who, if the word or name is an invented one, invents and uses it. If two trade rivals claim to have individually invented the same mark, then the trader who is able to establish prior user will succeed. The question is, as has been aptly put, who gets these first? It is not essential for the plaintiff for the plaintiff to prove long user to establish reputation in a passing off action. It would depend upon the volume of sales and extent of advertisement.

### **Infringement of Trademarks**

A person may sell his goods or deliver his services such as in case of a profession under a trading name or style. With the lapse of time such business or services associated with a person acquire a reputation or goodwill which becomes a property which is protected by courts. A competitor initiating sale of goods or services in the same name or by imitating that name. The law does not permit anyone to carry on his business in such a way as would persuade the customers or clients in believing that the goods or services belonging to someone else are his or are associated therewith. It does not matter whether the latter person does so fraudulently or otherwise. The reasons are two. Firstly, honesty and fair play are, and ought to be, the basic policies in the world of business. Secondly, when a person adopts or intends to adopt a name in connection with his business or services which already belongs to someone else, it results in confusion and has propensity of diverting the customers and clients of someone else to himself and thereby resulting in injury.

When a person gets his trademark registered, he acquires valuable rights by reason of such registration. Registration of his trademark gives him the exclusive right to the use of the trademark in connection with the goods in respect of which it is registered and if there is any invasion of this right by any other person using a mark which is the same or deceptively similar to his trademark, he can protect his trademark by an action for infringement in which he can obtain injunction.

In *Tata Sons Ltd. v. Manoj Dodia & Ors.*, the Delhi High Court addressed trademark infringement where the plaintiff, Tata Sons Ltd., a

proprietor of the well-known “TATA” trademark, sought an injunction against the defendants for operating a business under the name “Tata Infotech” without authorization. The court held that the defendants’ use of the “Tata” name was likely to deceive or cause confusion among consumers, infringing on the plaintiff’s exclusive trademark rights. The court granted an injunction, emphasizing the importance of protecting established goodwill and preventing consumer confusion. This case underscores the legal protections for registered trademarks in India and the courts’ commitment to maintaining fair business practices by preventing unauthorized use of well-known marks.

Infringement of Trademarks is given under Section 29 and Section 30 of the Trademarks Act, 1999.

### **Section 29. Infringement of registered trademarks—**

- (1) A registered trademark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which is identical with, or deceptively similar to, the trademark in relation to goods or services in respect of which the trademark is registered and, in such manner, as to render the use of the mark likely to be taken as being used as a trademark.
- (2) A registered trademark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which because of –
  - (a) its identity with the registered trademark and the similarity of the goods or services covered by such registered trademark; or
  - (b) its similarity to the registered trademark and the identity or similarity of the goods or services covered by such registered trademark; or
  - (c) its identity with the registered trademark and the identity of the goods or services covered by such registered trademark, is likely to cause confusion on the part of the public, or which is likely to have an association with the registered trademark.
- (3) In any case falling under clause (c) of sub-section (2), the court shall presume that it is likely to cause confusion on the part of the public.



- (4) A registered trademark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which—
  - (a) is identical with or similar to the registered trademark; and
  - (b) is used in relation to goods or services which are not similar to those for which the trademark is registered; and
  - (c) the registered trademark has a reputation in India and the use of the mark without due cause takes unfair advantage of or is detrimental to, the distinctive character or repute of the registered trademark.
- (5) A registered trademark is infringed by a person if he uses such registered trademark, as his trade name or part of his trade name, or name of his business concern or part of the name, of his business concern dealing in goods or services in respect of which the trademark is registered.
- (6) For the purposes of this section, a person uses a registered mark, if, in particular, he—
  - (a) affixes it to goods or the packaging thereof;
  - (b) offers or exposes goods for sale, puts them on the market, or stocks them for those purposes under the registered trademark, or offers or supplies services under the registered trademark;
  - (c) imports or exports goods under the mark; or
  - (d) uses the registered trademark on business papers or in advertising.
- (7) A registered trademark is infringed by a person who applies such registered trademark to a material intended to be used for labelling or packaging goods, as a business paper, or for advertising goods or services, provided such person, when he applied the mark, knew or had reason to believe that the application of the mark was not duly authorised by the proprietor or a licensee.
- (8) A registered trademark is infringed by any advertising of that trademark if such advertising—
  - (a) takes unfair advantage of and is contrary to honest practices in industrial or commercial matters; or
  - (b) is detrimental to its distinctive character; or
  - (c) is against the reputation of the trademark.



- (9) Where the distinctive elements of a registered trademark consist of or include words, the trademark may be infringed by the spoken use of those words as well as by their visual representation and reference in this section to the use of a mark shall be construed accordingly.

### **Section 30. Limits on effect of registered trademark—**

- (1) Nothing in section 29 shall be construed as preventing the use of a registered trademark by any person for the purposes of identifying goods or services as those of the proprietor provided the use—
- (a) is in accordance with honest practices in industrial or commercial matters, and
  - (b) is not such as to take unfair advantage of or be detrimental to the distinctive character or repute of the trademark.
- (2) A registered trademark is not infringed where—
- (a) the use in relation to goods or services indicates the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services or other characteristics of goods or services;
  - (b) a trademark is registered subject to any conditions or limitations, the use of the trademark in any manner in relation to goods to be sold or otherwise traded in, in any place, or in relation to goods to be exported to any market or in relation to services for use or available for acceptance in any place or country outside India or in any other circumstances, to which, having regard to those conditions or limitations, the registration does not extend;
  - (c) the use by a person of a trademark—
    - (i) in relation to goods connected in the course of trade with the proprietor or a registered user of the trademark if, as to those goods or a bulk of which they form part, the registered proprietor or the registered user conforming to the permitted use has applied the trademark and has not subsequently removed or obliterated it, or has at any time expressly or impliedly consented to the use of the trademark; or
    - (ii) in relation to services to which the proprietor of such mark or of a registered user conforming to the permitted

use has applied the mark, where the purpose and effect of the use of the mark is to indicate, in accordance with the fact, that those services have been performed by the proprietor or a registered user of the mark;

- (d) the use of a trademark by a person in relation to goods adapted to form part of, or to be accessory to, other goods or services in relation to which the trademark has been used without infringement of the right given by registration under this Act or might for the time being be so used, if the use of the trademark is reasonably necessary in order to indicate that the goods or services are so adapted, and neither the purpose nor the effect of the use of the trademark is to indicate, otherwise than in accordance with the fact, a connection in the course of trade between any person and the goods or services, as the case may be;
  - (e) the use of a registered trademark, being one of two or more trademarks registered under this Act which are identical or nearly resemble each other, in exercise of the right to the use of that trademark given by registration under this Act.
- (3) Where the goods bearing a registered trademark are lawfully acquired by a person, the sale of the goods in the market or otherwise dealing in those goods by that person or by a person claiming under or through him is not infringement of a trademark by reason only of—
- (a) the registered trademark having been assigned by the registered proprietor to some other person, after the acquisition of those goods; or
  - (b) the goods having been put on the market under the registered trademark by the proprietor or with his consent.
- (4) Sub-section (3) shall not apply where there exists legitimate reasons for the proprietor to oppose further dealings in the goods in particular, where the condition of the goods, has been changed or impaired after they have been put on the market.

Hence, we can say that If a person, who is not the owner of a registered trademark, without permission from the owner uses the same trademark, or a deceptively similar trademark in the course of trade, he infringes the trademark and is liable to be sued for legal remedies by the rightful owner, or persons so authorised.

In *S. S. Products of India v. Star Plast*, the plaintiff, S. S. Products of India, was the registered owner of the trademark “STAR” for various plastic goods. The plaintiff discovered that the defendant, Star Plast, was using the identical trademark “STAR” for their plastic products without authorization, causing confusion among consumers. The plaintiff filed a suit for trademark infringement. The Delhi High Court ruled in favour of the plaintiff, holding that the defendant’s use of the trademark “STAR” constituted infringement. The court granted an injunction restraining the defendant from using the trademark “STAR” or any deceptively similar mark, emphasizing the plaintiff’s exclusive rights to the trademark and the likelihood of consumer confusion caused by the defendant’s unauthorized use. This case reinforces the protection of registered trademarks under Indian law, ensuring that consumers are not misled about the source of goods.

No action for infringement is available in respect of unregistered trademarks; however, common law rights for action against ‘passing off’ are not affected.

Specifically, infringement is caused in the following cases:

- the mark is identical and is used for similar goods/services;
- the mark is similar to the registered mark and is used for the same or similar goods/services as covered by the registered trademark;
- the mark is identical with the registered trademark and is used for identical goods; and the mark is therefore likely to cause confusion on the part of the public.

If a trademark has a reputation in India, the use of a mark identical with or similar to it, on goods or services which are different, constitutes infringement as such use, without due cause, would take unfair advantage of a reputed trademark or harm its distinctive character. The Act prohibits adoption of a registered trademark by another person as trade name, i.e. the name of an enterprise.

A suit for infringement of registered trademark must be filed in the district court within whose territorial jurisdiction, the plaintiff (or if there are more than one such person, any one of them) instituting the suit or proceeding actually and voluntarily resides or carries on business or personally works for gain.

## **Trademark Licensing in India**

Trademark licensing is the process wherein a registered proprietor of a trademark authorises a third party to use the mark in the course of trade without transferring the ownership of the mark. The licensing of the trademark allows the registered proprietor to let others use the mark without assigning the ownership of the mark. The proprietor can also put other limitations on the use of the mark through the terms that he puts into the licensing agreement. For example, the proprietor may license a trademark to be used for only particular goods and services.

The term “license” or “licensing” is nowhere to be found in the Trademarks Act, 1999. The concept and the laws governing licensing of trademarks are found in Sections 48-55 of the Act. It can be said that the term “registered user” in the Act is synonymous with the term “licensee”. Under the 1999 Act, “permitted use” as defined in Section 2(1)(r) means the use of a registered trademark by a third person as a registered user; as well as, use by a third person by the mere consent of the registered proprietor. The use of the word “may” in Section 48(1) of the Act makes it apparent that registration of a licensing agreement is not mandatory for it to be licensed. The agreement, however, must be in writing as oral licensing is no licensing. Though the Act is silent on the issue of licensing of an unregistered trademark, such licensing is deemed lawful under common law and is commonly referred to as common law licensing. Nothing in the Act suggests that the rights of a licensee in the case of an unregistered trademark are different from that in the case of a registered trademark.

Trademark licensing has become a common practice as it benefits both the licensor and the licensee. The licensor earns money by way of royalty, while the licensee gets to commercially exploit the mark. In addition to monetary benefits, the licensor also benefits due to the expanding reach and popularity of the mark. But, if left unchecked, licensing could also harm the reputation of the mark. Hence, it is of utmost importance to incorporate clauses with respect to quality checks of goods or services in the license agreement.

## **Necessity of Actual Quality Control**

Section 49 of the Act mandates that licensing agreements shall state the degree of quality control. The object behind this provision is that a connection in the course of trade between the proprietor and the registered

user should reflect in the licensed use of the mark. The Bombay High Court in *UTO Nederland BV v. Tilaknagar Industries Ltd.* held that the license could have been rendered invalid, had the performance and terms of the agreement suggested existence of facts which implied no quality control. It was held in *Bowden Wire v. Bowden Brake* that a trademark license ceases to be valid if there is no connection in the course of trade with the registered proprietor. In the famous Barcamerica case, the Court held that “naked and uncontrolled licensing” results in the trademark ceasing to function as a symbol of quality wherein it appears that the registered proprietor has abandoned the trademark and in such a scenario, he may be stopped from asserting his rights over that mark.

As discussed above, the registration of the license agreement is not mandatory; however, it is advisable to do so since it creates a record that becomes useful in the case of any dispute in the future. By way of registration of the license agreement, a licensee becomes a “registered user” in lieu of Section 49. For the registration of a registered user, a joint application is to be filled to the Registrar through the TM-28 Form within six months from the date of the agreement. The registration process is hereby summarised in a few steps:

### **1. Filling of TM-28**

The form TM-28 is to be filled in triplicate along with the following documents:

- The license agreement or a duly authenticated copy thereof.
- Document and correspondence, if any or a copy thereof.
- Supporting affidavit.
- Such other documents and evidence/information as the Registrar may call upon.

### **2. Drafting Supporting Affidavit**

The supporting affidavit should contain the following:

- The precise relationship between the registered proprietor and the proposed registered user.
- Particulars showing the degree of control by the registered proprietor.
- Goods & services in respect of which registration is proposed.

- Conditions or restrictions imposed by the license.
- Period of permitted use of the mark.

**3. Ensure that License Agreement includes the following:**

- All particulars mentioned in supporting affidavit.
- The terms with respect to royalty and other remuneration.
- The means for bringing the permitted use to an end.

**4. Filing of the Application**

The filing of application through Form TM-28 can be done either online or offline to the Registrar.

**5. Acceptance by the Registrar**

The Registrar may accept the application either completely or conditionally. A conditional acceptance takes place when conditions/restrictions/limitations are put on the permitted use provided in the license. In the case of conditional acceptance, the registrar will issue a notice to the applicant.

**6. Hearing in the case of Conditional Acceptance**

On the issue of notice of conditional acceptance by the Registrar, the parties may apply for a hearing. On the application of hearing, the Registrar may appoint time within two months. After the hearing, the Registrar may accept completely or conditionally, or reject the application altogether. The order of the Registrar is to be communicated in writing. It is to be noted that if the party fails to apply for hearing within one month of the issue of notice, the registrar may accept the agreement with the conditions and limitations he imposed.

**7. Entry in Registrar**

When accepted, the Registrar records the proposed registered user as a registered user in the register.

**8. Notification to other registered users, if any**

After the recording takes place in the register, the Registrar needs to ensure that notice to every other registered user of the trademark (if any) is issued. The Registrar also needs to ensure that this fact is inserted in the Trademark Journal.

The Trademark Act, 1999 talks about “assignment” and “transmission” of trademarks and does not explicitly mention anything about “license”. Therefore, it is pertinent to understand that there are some basic differences between assignment and licensing of trademarks. An assignment is a permanent transfer of ownership of a trademark, whereas, licensing is a temporary transfer with respect to certain rights for using a trademark. Furthermore, a license can be revoked unlike in the case of assignments. Therefore, assignments result in a change of ownership wherein the assignee becomes the owner of the trademark, unlike licenses where only limited rights are transferred to the licensee for a particular time period.

The licensing of trademarks is an effective practice for the regulated exploitation of the mark. It helps both the licensor and the licensee in the growth of their respective businesses. Additionally, it results in the development of the brand image as the licensee is required to maintain a certain degree of control over the standard and the quality of the goods and services that he sells or provides under the mark.

### **Benefits of a Trademark License**

The following are some of the advantages or benefits of licensing a trademark.

#### **Sharing Instead of Shouldering**

Running a business can be a heavy burden, particularly for small to medium traders. A trademark licensing agreement allows these traders to team up with a professional partner who can share the burdens. Although new pressures such as monitoring trademark use and compliance with the license agreement arise, having an assistant with common goals can distribute the liability more evenly.

#### **Gaining Experience**

A trademark owner might lack essential skills, capital, or commitment required for the commercial exploitation of the trademark. They may possess limited expertise but not all-encompassing knowledge. Thus, selecting an appropriate licensee can provide a partnership with experience in areas where the proprietor needs further development.



**Reaching New Markets**

Consumers typically base their purchasing decisions on brand reputation and personal experience with a brand. Newer licensors can build partnerships that leverage an existing reputation. Through the licensee's existing marketing and distribution channels, the business can expand, increasing awareness and trust in the proprietor's mark due to its association with a better-known brand. This long-term benefit can be significant for both the owner and the licensee.

**Earning Passive Revenue**

Ultimately, the goal of these advantages is to boost financial returns for the trademark owner. Regardless of the owner's position in the branding process, a licensing agreement can provide relatively passive income without losing ownership rights. Manufacturers are often willing to pay significant royalty rates for the indemnification rights of their goods with an established trademark. Additionally, increased brand awareness through association with another well-known brand generates additional revenue for the owner.

**An Effective Mitigation Tool**

Trademark infringement can be a significant shock to the trademark owner. The immediate response might be to file an infringement suit, which can be costly for companies lacking extensive legal resources. Instead, proposing a trademark licensing agreement to the infringer can be a better solution. This approach mitigates damage, potentially improves the business, and fosters relationships, goodwill, and consumer confidence.

**Self-Assessment Questions**

1. What is the importance of trademark registration under the Trademarks Act, 1999? Explain the advantages of trademark registration, including legal protection, brand recognition, and asset creation.
2. Describe the concept of trademark licensing in India, including the legal requirements and benefits for licensors and licensees. What are the advantages of licensing a trademark for business expansion?
3. What are the "Relative Grounds for Refusal" of trademark registration? How does the law handle cases where a new



trademark is similar to or the same as an existing one?

4. Discuss the legal implications of trademark infringement, as defined under Section 29 and Section 30 of the Trademarks Act, 1999. How does the act differentiate between registered and unregistered trademarks?
5. Discuss the benefits of trademark licensing for business growth. How can trademark licensing help a business reach new markets, generate passive income, and mitigate risks associated with trademark infringement?

DDE, Pondicherry University

## UNIT – III

### Lesson 3.1 - Patents (The Patent Act, 1970)

#### Definition of a Patent

Section 2 (m) defines “patent” means a patent for any invention granted under this Act. and Invention defined under

Section 2 (j) “invention” means a new product or process involving an inventive step and capable of industrial application;

So, according to the Indian Patent Act, a patentable invention can be defined as “a new product or process involving an inventive step and capable of industrial application.”

#### Invention must be ‘new’

Something that is already known is not patentable. An invention is deemed to be new on the priority date if it does not form part of the state-of-the-art i.e., part of the knowledge available to the public. Priority date is usually the date on which the applicant for patenting his invention first makes the application.

Prior written or oral disclosure of the invention or any other way of making the knowledge available in a public manner before the date of filing of the patent application makes the invention a part of the prior art or state of the art.

For example, an inventor in England was denied the patent for an improved design of a ballpoint pen just because he had published its details prior to filing the patent application and hence the invention did not qualify on the ground of novelty.

#### ***Novartis Ag v. Union of India & Ors***

This case is significant for addressing the issue of “evergreening” of pharmaceutical patents, which is the practice of obtaining multiple patents for slight modifications of the same drug to extend the patent life and maintain market exclusivity. Novartis AG sought a patent for the beta crystalline form of imatinib mesylate, marketed as Glivec, a drug used to

treat chronic myeloid leukemia. The application was filed in 1998, but the Indian Patent Office rejected it in 2006 under Section 3(d) of the Indian Patents Act, which prevents patenting of new forms of known substances unless they result in enhanced efficacy. Novartis challenged the rejection, arguing that the beta crystalline form was more stable and bioavailable than the previously known form. However, the Supreme Court upheld the rejection, emphasizing that the improvement in bioavailability did not translate to enhanced therapeutic efficacy, as required by Section 3(d).

### **Invention must involve an 'inventive step'**

According to the definition of the inventive step, the invention must be non-obvious to a person skilled in that particular art, i.e. it must not follow plainly or logically from what is already known. The question whether an invention involves an inventive step has to be decided in the context of any prior publication or public use.

Many common examples of an inventive step can be cited from pharmaceutical, chemical or mineral processing industries where the process improvement can result into efficient use of resources. One example of such inventive step can be drying of substances without detriment to desired characteristics but enhancing other characteristics like shelf life or stability etc.

In a case before the Lahore High Court, the patent of a tube well strainer, Tej, was infringed. The strainer was produced by a new combination of known processes and methods. The defendant pleaded that Tej was an invention of an American Strainer, Cook. The American strainer was made out of a solid drawn tube and a special mechanical process was used to make slots on the tube. The owner of the patent argued that the strength requirements for his strainer were totally different as they were used in the alluvial plains where the water was close to the surface, and no great pressures were met. To meet the requirements of his situation, a new process of manufacture was designed and developed for making the Tej strainer, which was different and far less costly than the Cook's. The court held that the Tej strainer possessed novelty, utility and showed sufficient inventive skill and the patent awarded on it was valid.

### **Invention must be having 'industrial application'**

To be patentable, the invention has to be capable of industrial application, that is, it can be made or used in an industry. However,

industry in this context does not necessarily imply the use of machinery or manufacturing of an article. It may include any useful, practical activity as distinct from purely intellectual or aesthetic activity.

### **Section 83: General principles applicable to working of patented inventions:**

Without prejudice to the other provisions contained in this Act, in exercising the powers conferred by this Chapter, regard shall be had to the following general considerations, namely;—

- that patents are granted to encourage inventions and to secure that the inventions are worked in India on a commercial scale and to the fullest extent that is reasonably practicable without undue delay;
- that they are not granted merely to enable patentees to enjoy a monopoly for the importation of the patented article;
- that the protection and enforcement of patent rights contribute to the promotion of technological innovation and to the transfer and dissemination of technology, to the mutual advantage of producers and users of technological knowledge and in a manner conducive to social and economic welfare, and to a balance of rights and obligations;
- that patents granted do not impede protection of public health and nutrition and should act as instrument to promote public interest specially in sectors of vital importance for socio-economic and technological development of India;
- that patents granted do not in any way prohibit Central Government in taking measures to protect public health;
- that the patent right is not abused by the patentee or person deriving title or interest on patent from the patentee, and the patentee or a person deriving title or interest on patent from the patentee does not resort to practices which unreasonably restrain trade or adversely affect the international transfer of technology; and
- that patents are granted to make the benefit of the patented invention available at reasonably affordable prices to the public.<sup>61</sup>

### **Non-Patentable Inventions**

Article 27(2) of the TRIPS Agreement gives voluntary power to members of different countries to exclude inventions from the scope of patentability on the grounds of public order and morality. Members may

exclude patentability inventions based on the area for the protection of animals, plants, and human health or to avoid harm to the environment. It further states that such exclusion should not be forbidden by their law. Members are also allowed to exclude therapy methods, surgical methods, etc., and to exclude other plants, animals, and microorganism processes.

In India, Chapter II, (under the heading of Inventions not patentable) of the Patents Act, 1970 provides for such cases.

### **Section 3 of the Patent Act 1970 deals with what are not inventions.**

- (a) As per this clause any Invention that is superficial/false or inventions that claim opposite to the natural laws.

#### **Example-**

- **Veet** – it's a hair removal cream that guarantees smooth and skilly skin.

This advertisement is misleading because human skin may differ from person to person, it may show the result as mentioned in the advertisement for one person and for others it may not be so.

- (b) This clause states any invention that is intended for initial purpose or profit-oriented use/advantage which would disturb the public order or morality and cause serious prejudice to human, animal, plant or health or the environment.

#### **Examples-**

- Device or machine or method used in breaking into house to commit theft or burglary
- Device or method to create fake currency notes/money

- (c) This clause states the finding of scientific principle is not patentable or the creation of abstract theory or discovery of any living or non-living body /structure taking place in nature. Also, any new plant variety or natural minerals found on the earth cannot be considered to be patented.

#### **Example-**

Natural pearls are one such example wherein in defense of one particular irritant, it secretes a fluid creating a layer upon the irritant thus resulting in a pearl.

- (d) As per this clause mere finding of a new form of material doesn't result in the improvement of known productivity of that material or in that case of new property that is found on the machine or equipment is not patentable.

The explanation to clause (d) states that *"for the purpose of this clause salt, esters, ether, polymorphs, metabolites, pure form, particle size, isomers, complexes, combinations and other derivatives of known substances shall be considered to be the same substance unless they differ significantly in properties with regard to efficacy"*

### **Ten Xc Wireless Inc & Anr v. Mobi Antenna Technologies**

The Delhi High Court held that method of replacing the conventional antenna to split- the sector was merely used for the asymmetric antenna and they were already known about the same.

- (e) In this clause there is mention of substance acquired by mere blend which results in collection or bunch of properties of the component or the entire process which involves in the blending of such substances does not come under the purview of the invention and cannot be patented.

Examples: soap, detergent, lubricant, etc.

- (f) The clause states that just arrangement or rearrangement or duplication of known devices each working independently of one. This clause deals with multipurpose devices. The conditions must be satisfied to constitute an invention and to grant a patent and that is the test of the invention or inventive step. There may be some improvement or modification that will

Example: pen with a torch, umbrella with a fan, radio set with a charger

- (g) This clause is omitted by the Patents Amendment Act of 2002.  
 (h) This clause talks about agriculture and horticulture, not about the invention, and cannot be patented.

Agricultural and horticulture activities are protected under the plant varieties and Farmers' Rights Act, of 2001. India is following the sui generis system. Sui generis means "one of its own kind". It means that it needs legislation that will combine cultural, spiritual, customary, and economic practices. Article 27.3(b) of the TRIPS Agreement states that the WTO

Members should have IP protection for plant varieties by patent or effective sui generis or by any combination thereof. The World Intellectual Property Organization (WIPO) discusses that there should be a distinction between what can be commercialized and the holy or spiritual should not be part of the commercial scope. Indian legislation with regard to new plant varieties and farmers' rights is in consonance and conformity with the International Union for the Protection of New Varieties of Plants (UPOV), 1978.

**Case law: Mayo Collaborative Services v/s Prometheus Laboratories, Inc**

US Court held that *“diagnostic method patent is not patentable subject matter because it claims a law of nature”*

- (j) as per this clause (i)plants, (ii)animals (iii)seeds (iv)varieties and species of planta and animals (v) the fundamental biological process for production or breeding/ germination of animals / plants. Microorganisms that already exist in nature are not patented but newly found can be patented.

The genetically modified microorganism may be patented as per the requirement of the patent act.

**Example:**

- Cloning in animals,
  - Where there is involvement of biological process cannot be patented.
- (k) This clause covers (i) mathematical methods (ii) business methods (iii) computer programmers and (iv) Algorithm methods that cannot be patented.
- (l) This clause talks about literal, dramatic music or artistic work including cinematographic work, television production is not an invention. We know that such literal or dramatic work comes under the purview of the Copyrights Act 1957.
- Examples- Writing, music, art, painting, sculptures,
  - Computer programs, electronic databases,
  - Books, pamphlets, lectures delivered in the classroom,
  - Architecture, engravings, photographic work,
  - Applies art, illustration, maps, sketches, and three-dimensional work which is used in geography.



- Topography, adaptations, arrangement of music, multimedia productions

(m) this clause states that any scheme, rules, or conducting mental act or method of playing games is not an invention.

**Example:**

- Method of learning.
- Particular way of learning.
- Method of solving crossword puzzle

(n) “a presentation of information is not an invention”.

As per the clause stated above any presentation via power-point or given to a class is not patentable. While giving a presentation there considerable effort that are put in to gather information on a particular topic and through study is done before presenting the paper to the class or gathering. The presentation includes virtual, audio, or using signs, words code, pie charts, diagrams, maps, etc.

(o) “topography of integrated circuited is not an invention”

Integrated circuits Semiconductors which are used in microchips are not patented.

Integrated circuits are granted separate protection under Semiconductor Integrated Circuit Lay Out Designs Act 2000.

(p) As per this clause when there is use of traditional knowledge in connection to invention or accumulation or duplication of known belonging of traditionally known component is not considered an invention. As we know that traditional knowledge is the knowledge that is passed on from one generation to another from our ancestors to us. Traditional knowledge includes home remedies, skills, or traditional religious or cultural practices that have helped generations to sustain and live their life.

**Example:**

Turmeric case – the United States granted a patent on turmeric to the University of Mississippi medical center for wound healing properties. Exclusive rights were granted to sell and distribute. The Indian Council for Scientific and Industrial Research (CSIR) objected to this patent that was granted and submitted evidence and relevant documents, text in Sanskrit, and other languages regarding the use of turmeric to USPTO, they had to revoke the patent which was granted.

In India, turmeric is commonly used as an antiseptic agent for wounds, colds, and day-to-day cooking.

**Neem case** – A patent was granted to a company W.R. Grace in the United States and European Union. The patent was for an active component in the neem plant called azadirachtin, they had decided to use azadirachtin for pesticidal properties. The grant of neem patent was challenged by the New Delhi-based Research Foundation for Science, Technology, and Ecology (RFSTE) and the International Federation of Organic Agriculture Movement (IFOAM). The EPO revoked the patent on grounds of lack of novelty, and inventive steps.

If the use of traditional plants is done for developing an ointment that has the active ingredients of the plants or leaves then it is patented.

#### **Section 4. Inventions relating to atomic energy not patentable.—**

No patent shall be granted in respect of an invention relating to atomic energy falling within sub-section (1) of section 20 of the Atomic Energy Act, 1962 (33 of 1962).

#### **Procedure to Obtain Patent**

##### **Who can Apply for Patent?**

An application for a patent for an invention may be made by a person claiming to be the true and first inventor of the invention or his assignee, or by the legal representative of any deceased person who immediately before his death was entitled to make such an application. The term true and first inventor means that the claimant has to be the actual inventor and not merely be the first importer of the invention or the first person to whom the invention is communicated from outside India.

In case the inventor is employee of an organization, the inventions made during the employment would be patentable in the name of the employee. However, the ownership of the patent (i.e. rights of using, manufacturing, selling etc.) will be dependent on the terms of contract between the employee and employer. It is a common practice in the R&D organizations to keep the ownership rights with the employer though the patent is in the employee's (inventor's) name.

## **Filing a Patent Application**

There is only one application filed for one invention. This must be done in a prescribed form along with the prescribed fees in the appropriate patent office. It should be accompanied by a provisional or a complete specification.

If the application is filed by the assignee, it must be accompanied with the proof of the right to make the application. Every application must state that the applicant is in possession of the invention and shall name the owner claiming to be the true and first inventor. Where the true and first inventor is not the applicant, a declaration is required that the applicant believes the person so named to be the true and first inventor.

Every international application under the Patent Co-operation Treaty (PCT) for a patent designating India shall be deemed to be an application under the Indian Patents Act if a corresponding application has also been filed before the Controller in India. Recently the World Intellectual Property Organization (WIPO) has launched the facility of electronic patent filing under PCT.

Typically, the form of application for grant of an Indian patent asks for (i) full name, address, nationality of the applicant(s) and inventor(s), (ii) patent specifications, and (iii) whether an application has been made or patent granted in a PCT or a convention country, which affords to citizens of India, or applicants for patents in India. Similar privileges as granted to its own citizens in matters of patent and which has been so notified by the Central Government with relevant dates.

## **Filing of Provisional and Complete Specification**

A specification is an accurate description of the patent stating how the invention can be carried out by the method best known to the applicant. The specification ends with a claim or claims defining the scope of the invention for which protection is claimed.

Every application must be accompanied by a provisional or a complete specification. It is possible to file the application with provisional specifications. But it is necessary to file the complete specifications within one year of filing the original patent application. The application is deemed to be abandoned if this condition is not met. The twelve months limit can

be extended to 15 months if an application is made to the Controller with such request and the prescribed fee is paid.

A complete specification filed may include claims in respects of developments of or additions to the invention described in provisional specification. The inventor is entitled to apply for a separate patent in respect of such developments/additions. In case of a convention application the patent application must be accompanied with a complete specification only. The claim/claims of a complete specification relate to a single invention, or to a group of inventions, which form a single inventive concept e.g. in an instrument there may be 8 or 10 different inventions used. All these could be separately patented; or they can be patented together as a group; if they form an integrated instrument.

The specification must contain the following:

- Title, sufficiently indicating the subject-matter;
- Relevant drawings;
- Full and particular description of the invention;
- Details of its operation or use and the method by which it is to be performed;
- Disclosure of the best method of performing the invention;
- Claims defining the scope of the invention substantiated by the disclosure;
- Abstract providing technical information on the invention;
- Declaration as to the inventorship of the invention.

If an invention is an improvement in or modification of another invention, for which the patent has been obtained or has been applied for, the Controller may grant the patent for modification/improvement, as a patent of addition; however the patentee for both the original patent and the patent of addition has to be the same.

Each claim of a complete specification has a priority date. In a simple case, where a complete specification is filed in pursuance of a single application with a provisional specification, the priority date of a claim is the date of the filing of the application. This is true if the claim is 'fairly based' on the matter disclosed in the specification. However, in some cases, the priority date may be different than the

date of filing. A detailed discussion of the issue is not within the scope of the present course.

### **Publication of the Application**

Normally every patent application is published after 18 months of filing the application and objections are invited. The patent application shall not be open to the public for eighteen months after the date of filing, or date of priority, whichever is earlier.

However, if the invention is considered relevant for defence purposes, the Controller may issue direction to prohibit or restrict such publication. In the case of secrecy direction, the application will be published when the secrecy directions cease to operate. The publication will include the particulars of the date of application, number of application, name and address of the applicant and an abstract. Upon publication of an application, the patent office, on payment of the prescribed fees, will make the specification and drawings, available to the public. If the specification mentions a biological material, which is not available to the public, the applicant is required to deposit the material in an authorised depository institution. From this institute, the biological material mentioned in the specification is made available to the public, as necessary.

### **Examination of the Application**

For granting a patent, examination of the application is a mandatory step. However, such examination is taken up only if the applicant or any other interested person makes a request in the prescribed manner for such examination within 48 months from the date of filing of the patent application. If such request is not made within the prescribed time, the patent application is treated as withdrawn. When the patent application is in respect of an invention for a chemical substance used as an intermediate in the preparation of a medicine or drug including insecticides etc used for protection or preservation of plants, the request for examination has to be made within a period of 12 months from 31st December, 2004 or within 48 months from the date of the application, whichever is later. If such a request is not so made, the application shall be treated as withdrawn.

After a request for examination is made, the Controller refers the application, specification and the related documents to an examiner for making a report within 18 months on:

- a) whether these are in accordance with the requirements of the IPA;
- b) whether there is any lawful ground of objection to the grant of the patent;
- c) whether the invention has been anticipated by publication before the date of filing of applicant's complete specification; and
- d) on any other matter which may be prescribed.

Of these matters, Search for anticipation by previous publication and by prior claim is important. This search requires investigation in the publications and specifications of prior applications and specifications of patents already granted to see whether the same invention has already been published or claimed or is the subject matter of existing or expired patents.

If the examiner raises any objections, the Controller will communicate the gist of the objections to the applicant. If the objections raised by the examiner are removed satisfactorily within 12 months, the Controller will accept the complete specification. If the objections are not removed satisfactorily, the application is refused after giving an opportunity of hearing to the applicant.

### **Acceptance and Advertisement of Complete Specifications**

Once the complete specification is accepted, Controller notifies it to the applicant and also advertises it in the Official Gazette. On advertisement, the application and the specification with the drawings, if any, are open for public inspection.

From the date of advertisement of the acceptance of the complete specification and until the date of sealing of the patent, the applicant will have the like privileges and rights as if a patent for the invention had been sealed on the date of advertisement. However, the applicant is not entitled to initiate any proceedings for infringement until the patent has been sealed.

### **Opposition to the Grant of Patent**

Any person interested in opposing the grant of patent may give notice to the Controller of such opposition within 4 months from the date of advertisement of the acceptance on the grounds like:

- the invention was wrongfully obtained by the inventor/applicant;
- the invention, as claimed in any claim of the complete specification has been anticipated in a specification filed for another patent earlier; or
- the invention as claimed in any claim was publicly known/used in India before the priority date of the claim; or
- the subject of the patent is not an invention, within the meaning of the Act; or
- the information furnished is false; or
- geographical origin of biological material is not disclosed or falsely disclosed; or
- in the case of a convention application (an application filed in India following a patent application for the same invention made in a convention country), the application was not made in the prescribed time. Convention country means a country notified as such by the Central Government.

On receipt of the notice of opposition, the Controller shall notify the applicant of it and may give opportunity of hearing to both parties, and arrive at a decision.

### **Grant and Sealing of Patent**

Where the application for a patent along with complete specification has been accepted either without opposition or after the opposition, a patent shall be granted if the applicant makes a request in the prescribed manner for a grant of patent. The request has to be made within six months from the date of advertisement of the acceptance of the complete specification. The patent so granted shall be sealed with the seal of the patent office and the date of sealing of patent shall be entered in the register.

### **Terms of Patent**

#### **Section 53. Term of patent.—**

- [(1) Subject to the provisions of this Act, the term of every patent granted, after the commencement of the Patents (Amendment) Act, 2002, and the term of every patent which has not expired and has not ceased to have effect, on the date of such commencement, under this Act, shall be twenty years from the date of filing of the application for the patent.]



[*Explanation.*—For the purposes of this sub-section, the term of patent in case of International applications filed under the Patent Cooperation Treaty designating India, shall be twenty years from the international filing date accorded under the Patent Cooperation Treaty.]

- (2) A patent shall cease to have effect notwithstanding anything therein or in this Act on the expiration of the period prescribed for the payment of any renewal fee, if that fee is not paid within the prescribed period [or within such extended period as may be prescribed].
- [(4) Notwithstanding anything contained in any other law for the time being in force, on cessation of the patent right due to non-payment of renewal fee or on the expiry of the term of patent, the subject matter covered by the said patent shall not be entitled to any protection.]

## **Register of Patent and Patent Office**

### **Register of Patent**

#### **Section 67. Register of patents and particulars to be entered therein.—**

- (1) There shall be kept at the patent office a register of patents, wherein shall be entered—
  - (a) the names and addresses of grantees of patents;
  - (b) notifications of assignments and of transmissions of patents, of licences under patents, and of amendments, extensions, and revocations of patents; and
  - (c) particulars of such other matters affecting the validity or proprietorship of patents as may be prescribed.
- (2) No notice of any trust, whether express, implied or constructive, shall be entered in the register, and the Controller shall not be affected by any such notice.
- (3) Subject to the superintendence and direction of the Central Government, the register shall be kept under the control and management of the Controller.
- [(4) Notwithstanding anything contained in sub-section (1), it shall be lawful for the Controller to keep the register of patents or any part thereof in computer floppies, diskettes or any other electronic form subject to such safeguards as may be prescribed.]



- (5) Notwithstanding anything contained in the Indian Evidence Act, 1872 (1 of 1872), a copy of, or extracts from, the register of patents, certified to be a true copy under the hand of the Controller or any officer duly authorised by the Controller in this behalf shall, in all legal proceedings, be admissible in evidence.
- (6) In the event the register is kept wholly or partly in computer floppies, diskettes or any other electronic form,—
  - (a) reference in this Act to an entry in the register shall be deemed to include reference to a record of particulars kept in computer floppies, diskettes or any other electronic form and comprising the register or part of the register;
  - (b) references in this Act to particulars being registered or entered in the register shall be deemed to include references to the keeping of record of those particulars comprising the register or part of the register in computer floppies, diskettes or any other electronic form; and
  - (c) references in this Act to the rectification of the register are to be read as including references to the rectification of the record of particulars kept in computer floppies, diskettes or any other electronic form and comprising the register or part of the register.]

## **Patent Office**

### **Section 74. Patent office and its branches.—**

- (1) For the purposes of this Act, there shall be an office which shall be known as the patent office.
- [(2) The Central Government may, by notification in the Official Gazette, specify the name of the Patent Office.]
- (3) The head office of the patent office shall be at such place as the Central Government may specify, and for the purpose of facilitating, the registration of patents there may be established, at such other places as the Central Government may think fit, branch offices of the patent office.
- (4) There shall be a seal of the patent office

## **Rights of Patentee**

### **Right to exploit the patent**

If the invention is a product, the patent confers the exclusive right to make, use, sell or import for these purposes, the invention in India. If the patent is for a method or process of manufacturing an article or substance, it confers the exclusive right to use or exercise the method or process in India. The patentee has the right to prevent third parties, from exploiting the patented invention in any such manner without the consent of the patentee. The term of every patent granted under the IPA is twenty years from the date of filing of the application for the patent. This includes the patents, which had not expired when the IPA came into force i.e. on May 20, 2003. It is necessary to renew the patent annually on payment of fee for it to remain valid throughout its term of 20 years. Failure to renew the patent results in loss of all patent rights. *Vringo Infrastructure Inc. & Anr. v. Indiamart Indermesh Ltd. & Ors.*

### **Facts**

- Vringo Incorporation (Plaintiff), owned a large portfolio of patents in India. One such patent held by the Plaintiff was 'a method and a device for making a handover decision in a mobile communication system' which they had acquired from Nokia in 2012.
- The Plaintiff approached the Delhi HC to grant an ad interim injunction against Indiamart alleging the infringement of this particular patent.
- Indiamart was the distributor for ZTE Corporation and ZTE Telecom India who were involved in the business of manufacturing and selling mobiles, handsets, dongles etc. (Defendants).
- In 2014, the Plaintiff was granted an ad interim injunction against the Defendants by the HC. However, it was later discovered that the injunction so passed was not confirmed.

### **Issues**

- Since the Patent Act does not presume the validity of the patent, the burden of proof to prove that the Defendant has infringed upon the Plaintiff's patent, rested on the Plaintiff. The Plaintiff was not able to satisfy the court with a prima facie case of infringement.

- Whether a foreign company who has registered patents in India, but has not put the patents to use can seek injunctions against others from using/ registering that patent?
- Whether the plaintiff suffered an irreparable loss in this case?

### Court Decision

- With regards to the first issue, the Delhi HC held that the Plaintiff was not able to satisfy the court with a prima facie case of infringement because the 'expert' opinion provided by the Plaintiff was not considered to be so. It held that in cases of patent infringement the expert opinion should be given by someone with expertise in that particular field. In this case, the expert held a management degree and the nature of his work was general in nature and could not be considered relevant under Section 21 of the Evidence Act.
- The patent in question was granted to Nokia in 2002 and was acquired by the Plaintiff only in 2006. The court held that this means Nokia was aware of the infringement and chose not to take any action even before the assignment of the patent. It further upheld the decision of *Franz Xaver Huemer vs. New Yash Engineers AIR 1997 Delhi 79*, wherein it was decided that if a patent is registered in India by a foreigner but not used, then others cannot be restrained from using/ registering that patent as it would seriously affect the economy. The Plaintiff had only licensed the patent to other companies, and these licensees did not file for infringement. Thus, the court held that in this case an injunction would cause unnecessary damage to the Defendants.
- The Court finally held that the Plaintiff had not suffered an irreparable loss as their loss could be easily calculated in monetary terms and adequately compensated.
- Thus, considering the above-mentioned factors, the court vacated the injunction but appointed experts to assist the court in determining infringement of the patent.

### Right to grant licence etc.

The patentee has the power to assign rights or grant licenses or enter into another arrangement for a consideration. A licence or an assignment to be valid must be in writing and registered with the Controller of Patents. *Bayer Corporation v. Union of India*

### **Facts**

- In 2008, Bayer Corporation (Plaintiff), was granted a patent by the Indian Patent Office for its drug 'Sorafenib Tosylate' which is used to treat liver and kidney cancer.
- Subsequently, in 2012, Natco Pharma was granted the first ever Compulsory License by the Drug Controller of India (Defendants) to produce a generic version of this drug.
- Plaintiff was selling the drug at Rs. 2,80,000 per month for a course and Defendant promised to make this drug available for Rs. 8,800 only.
- Plaintiff aggrieved by the fact that a Compulsory License had been granted to Natco and moved to the Intellectual Property Appellate Board (IPAB) for a stay on the License stating that the License granted by the DCGI was invalid, illegal and unsustainable.
- However, the IPAB rejected Plaintiff's appeal holding that the License was granted in public interest because of its lower prices allowing people to access it.
- Plaintiff then challenged the order in Bombay High Court (HC).

### **Issues**

The case involved many allied issues, however, the main issue relating to patent infringement were:

- Whether the License granted by the DCGI was in accordance with the provisions of the Patent Act?

### **Decision**

- The HC again dismissed the petition upholding that public interest shall always be prioritised. It held that the objective behind the incorporation of the Patent Act is to promote invention and safeguard the creator from infringement.
- The HC held that interpreting Section 156 of the Patent Act, which gives the Central Govt. the power to make rules, to say that DCGI cannot allow the sale of a drug patent by someone else would be incorrect.
- It held that DCGI could reasonably allow the commercialisation of generic drugs even if they already patented in public interest as per Section 90 of the Patents Act. It clarified that by doing so, DCGI would not be supporting or committing patent infringement but on

the contrary is responsible to avoid infringement since it has proper licenses in place.

- It also held that the acceptance of the generic drugs would not amount to patent infringement.

### **Right to surrender**

The patentee is given the right to surrender the patent at any time by giving notice in the prescribed manner to the Controller. The Controller, before accepting the offer of surrender will advertise the same so as to give an opportunity to the interested parties to oppose the offer of surrender.

### **Right to sue for infringement**

A patentee is given the right to institute proceedings for infringement of the patent in a District Court having jurisdiction to try the suit. BAJAJ Auto Limited Vs. TVS Motor Company Limited is an important case in this regard.

This case has two aspects, one related to patent infringement and the other related to the speedy disposal of intellectual property rights cases.

The case involved the unauthorized application and use of the patented Digital Twin Spark Ignition (DTSi) technology by TVS Motor Company (Defendant). The DTSi was the intellectual property of BAJAJ auto limited (Plaintiff). Plaintiff had applied for a patent application for the technology in the year 2002 and was granted a patent in 2005.

### **Facts**

- In 2007, Plaintiff filed a case before the Madras High Court against Defendant for infringement of the patent and sought a permanent injunction for the same under Section 108 of the Act. The Plaintiff also filed for a temporary injunction while the suit for permanent injunction was pending in the HC.
- Simultaneously, a second suit was filed by Defendant under Section 106, claiming that the infringement claim filed by the Plaintiff was baseless as they had made improvements and changes to the patented article.
- The HC granted the Plaintiff a temporary injunction and instructed Defendant that they could execute pending orders but could not take any new orders for vehicles using this technology.

- However, the injunction was vacated after a plea from the Defendant which led Plaintiff to file an appeal before the Supreme Court of India (SC).

### Issues

- Whether Defendant had actually infringed the patent even though it had in fact made improvements and changes to the patented article.

### Appeal to the SC

- However, the SC did not look at the merits of the case. For the SC, the main issue was that the legal battle had taken approximately 2 years over a temporary injunction.
- Without looking at the merits of the case, the SC dismissed the appeal by stating that all matters in relation with IPR infringements must be expeditiously decided by the trial courts especially at the point of granting/ refusing injunctions.
- The SC further directed the Madras HC to hear the case on a daily basis and dispose of on or before 30th November 2009.

### Final Judgement for the Patent Infringement

- The Madras HC ultimately held that Plaintiff has the patent on the DTSi technology and has been using it for five years.
- The HC used the Doctrine of Equivalence and stated that, *“It is also clear as per the decisions, for the purpose of deciding the novel features to constitute “pith and marrow” a purposive construction has to be given in order to make it essential requirement of the invention that any variant would follow outside the monopoly even if it could not have material effect upon the working of invention”*

### Limitations on Patentee's Rights

There are certain limitations on the rights of the patentee. They are as follows:

- any patented product or process or a product made using patented process may be used by or on behalf of the Government for its own use only – an invention is said to be used for the purposes of Government if it is made, used, exercised or vended for the purposes of the Central Government, State Government or a Government undertaking;

- a patented article or article made by use of patented process may be used by any person for experiment, research or for imparting instructions to pupils; and
- in case of a patent in respect of any medicine or drug, the medicine or drug may be imported by the Government for its own use or for distribution in any dispensary, hospital or other medical institution maintained by or on behalf of the Government.

### **Acquisition of patents and inventions by Central Government**

If the Central Government is satisfied that it is necessary for public purpose to acquire an invention for which a patent has been granted or an application for patent has been filed, it can publish a notification in the official Gazette and all rights in respect of the invention stand transferred to the Central Government. The Central Government will be liable to pay compensation to the applicant or the patentee as may be mutually agreed upon.

### **Compulsory licences**

The right of the patentee is limited by the provision for grant of compulsory licenses. The purpose of granting patents in India is primarily *to secure that the inventions are worked in India on a commercial scale and not merely to enable patentees to enjoy a monopoly for the importation of the patented article*. Patent rights are meant to encourage technological innovation and help transfer and dissemination of technology for the social and economic welfare. The benefit of the patented invention has to reach the people at a reasonably affordable price.

The IPA, provides for compulsory license of patent to a third party by the Controller, on application made at any time after expiry of three years from the date of sealing of the patent, on the following grounds:

- the reasonable requirements of the public with respect to the patented invention have not been satisfied; or
- the patented invention is not available to the public at a reasonably affordable price; or
- the patented invention is not worked in India.

If the controller is satisfied about the grounds and the facts as set out in the application, he may grant a compulsory license on the patent and direct the patentee accordingly to grant a license to the applicant. In deciding on the application, the controller is required to take into account several



factors including the nature of the invention, the time which has elapsed since the sealing of the patent, the measures taken by the patentee to make full use of the invention, the ability of the applicant to work the invention to the public advantage, and the applicant's capacity to take capital risk.

The IPA also has special provision for compulsory licences on notifications by the Central Government in a case of national emergency, or of extreme urgency or of public non-commercial use.

A compulsory license can be terminated on patentee's request when the circumstances in which the grant was made no longer exist and are unlikely to recur. The holder of the compulsory license can of course object to the application and the Controller shall take into account that the licensee's interest is not unduly prejudiced.

### **Transfer of Patent**

A patent is an exclusive property of the inventor and hence can be transferred from the original patentee to any other person by assignment, grant of licence, or operation of law.

The IPA requires that an assignment, licence or a creation of any other interest in a patent must be in writing, clearly specifying all the terms and conditions governing the rights and obligations of the parties. This document must be registered in the prescribed manner within the prescribed time. The person getting such entitlement in a patent has to apply in writing to the Controller for the registration of the title.

### **Assignment**

An assignment means transfer of interest in the patent by the patentee to another person in whole or in part valid over entire or a part of India. The person to whom the right in patent is assigned is called the assignee and the person who assigns the right is called the assignor.

There are three kinds of assignment:

#### **Legal assignment**

When the assignor assigns the right in a patent through an agreement duly registered, the assignment is called a legal assignment and the assignee's name will be entered in the Register of Patents maintained by the Patent Office as the proprietor of the patent. The legal assignee shall thereafter have all the rights conferred by the assignor.



**Equitable assignment**

When the patentee agrees to give another person certain defined right in the patent with immediate effect, by a document (e.g. a letter), and not by an agreement, the assignment is termed as an equitable assignment. However, such an assignment cannot be registered in the Register of Patents. The assignee can convert the equitable assignment to legal assignment by getting the document in writing and getting it duly registered.

**Mortgage**

When the patentee transfers the patent rights either wholly or in part to the mortgagee to secure a specified sum of money, such assignment is called mortgage. The patentee can get the patent re-transferred on refund of the consideration money.

**Licence**

A licence confers a privilege on another person through an agreement to make, use or exercise the invention. The person to whom the privilege is transferred is called the licensee. The licence agreement does not transfer any interest in the patent. A licence merely transfers a right in patent as compared to an assignment in which there is transfer of interest. There are three kinds of licences:

**Voluntary licence**

When the patentee, by a written agreement, empowers another person to make, use or exercise the patented invention in a particular manner and on agreed terms and conditions it is called a voluntary licence. The Controller of Patents and the Central Government do not have any role in such licence.

**Statutory licence**

When the licence is granted by the Controller and the Central Government as a compulsory licence it is termed as statutory licence. In this case, the terms and conditions of the licence agreement do not depend upon the will of the patentee and the licensee.

**Exclusive licence**

In case of exclusive licence, the patentee confers exclusive right to make, use, sell or distribute the patented invention to a particular person to the exclusion of all others. Such a person will hold an exclusive licence

in the patent. The exclusive licensee has the right to initiate infringement proceedings against an infringer. The patentee has the right to impose certain restrictive conditions on the rights of the licensee. But no such restrictions can be imposed which are against the public interest.

For example, in a license to manufacture or use a patented article, or to work a process protected by a patent, it shall not be lawful to insert a condition that will require the licensee to acquire from the licensor, or his nominees, any article other than the patented article or an article other than that made by the patented process.

### **Transmission of Right by Operation of Law**

When a patentee dies, the interest in patent passes to his legal representative. Another mode of transmission of patent by operation of law is provided where the Central Government acquires a patent from the patentee for public purpose.

### **Government Use of Patented Inventions**

Various provisions in the Indian Patents Act, 1970 address the circumstances under which the government can use patented inventions. Section 47 allows the government to import, make, and use patented products solely for its own use. On the other hand, Section 100 empowers the Central Government, or any person authorized by it, to use patented inventions for governmental purposes. Section 100(1) specifically states that such use must be in accordance with the provisions outlined in the Act.

In the case of *Garware Wall Ropes Ltd. v. A.I. Chopra and Konkan Railway Corp. Ltd.* the Bombay High Court examined the distinction between Sections 47 and 100. The case involved the manufacture and use of patented products by A.I. Chopra for Konkan Railways under a contract signed on behalf of the President of India. The court emphasized that under Section 100(1), any third-party agency must obtain explicit authorization from the government to use a patented invention. Furthermore, Section 100(3) mandates that the patentee receive reasonable remuneration based on an agreement between the parties involved.

Conversely, in the *Chemtura Corporation v. Union of India and Ors.*, the Delhi High Court determined that the Ministry of Railways qualified as 'Government' under Section 47, allowing it to utilize patented inventions without infringing upon them.

We can say that while Section 47 permits government use for its own purposes without royalty obligations, Section 100 requires authorization and fair compensation to the patentee. These provisions ensure a balance between public interest and patent holder rights, as interpreted by various Indian courts in notable cases involving governmental use of patented inventions.

### **Grounds for Revocation of Patent**

#### **Section 64. Revocation of Power patents.—**

- (1) Subject to the provisions contained in this Act, a patent whether granted before or after the commencement of this Act, may, 4[be revoked on a petition of any person interested or of the Central Government 5\*\*\* or on a counter-claim in a suit for infringement of the patent by the High Court] on any of the following grounds, that is to say—
  - (a) that the invention, so far as claimed in any claim of the complete specification, was claimed in a valid claim of earlier priority date contained in the complete specification of another patent granted in India;
  - (b) that the patent was granted on the application of a person not entitled under the provisions of this Act to apply therefor;
  - (c) that the patent was obtained wrongfully in contravention of the rights of the petitioner or any person under or through whom he claims;
  - (d) that the subject of any claim of the complete specification is not an invention within the meaning of this Act;
  - (e) that the invention so far as claimed in any claim of the complete specification is not new, having regard to what was publicly known or publicly used in India before the priority date of the claim or to what was published in India or elsewhere in any of the documents referred to in section 13;
  - (f) that the invention so far as claimed in any claim of the complete specification is obvious or does not involve any inventive step, having regard to what was publicly known or publicly used in India or what was published in India or elsewhere before the priority date of the claim:

- (g) that the invention, so far as claimed in any claim of the complete specification, is not useful;
- (h) that the complete specification does not sufficiently and fairly describe the invention and the method by which it is to be performed, that is to say, that the description of the method or the instructions for the working of the invention as contained in the complete specification are not by themselves sufficient to enable a person in India possessing average skill in, and average knowledge of, the art to which the invention relates, to work the invention, or that it does not disclose the best method of performing it which was known to the applicant for the patent and for which he was entitled to claim, protection;
- (i) that the scope of any claim of the complete specification is not sufficiently and clearly defined or that any claim of the complete specification is not fairly based on the matter disclosed in the specification;
- (j) that the patent was obtained on a false suggestion or representation;
- (k) that the subject of any claim of the complete specification is not patentable under this Act;
- (l) that the invention so far as claimed in any claim of the complete specification was secretly used in India, otherwise than as mentioned in sub-section (3), before the priority date of the claim;
- (m) that the applicant for the patent has failed to disclose to the Controller the information required by section 8 or has furnished information which in any material particular was false to his knowledge;
- (n) that the applicant contravened any direction for secrecy passed under section 35 1[or made or caused to be made an application for the grant of a patent outside India in contravention of section 39];
- (o) that leave to amend the complete specification under section 57 or section 58 was obtained by fraud;
- 1[(p) that the complete specification does not disclose or wrongly mentions the source or geographical origin of biological material used for the invention;

- (q) that the invention so far as claimed in any claim of the complete specification was anticipated having regard to the knowledge, oral or otherwise, available within any local or indigenous community in India or elsewhere.]
- (2) For the purposes of clauses (e) and (f) of sub-section (1),—
  - (a) no account shall be taken of 2[personal document or secret trial or secret use]; and
  - (b) where the patent is for a process or for a product as made by a process described or claimed the importation into India of the product made abroad by that process shall constitute knowledge or use in India of the invention on the date of the importation, except where such importation has been for the purpose of reasonable trial or experiment only.
- (3) For the purpose of clause (l) of sub-section (1), no account shall be taken of any use of the invention—
  - (a) for the purpose of reasonable trial or experiment only; or
  - (b) by the Government or by any person authorised by the Government or by a Government undertaking, in consequence of the applicant for the patent or any person from whom he derives title having communicated or disclosed the invention directly or indirectly to the Government or person authorised as aforesaid or to the Government undertaking; or
  - (c) by any other person, in consequence of the applicant for the patent or any person from whom he derives title having communicated or disclosed the invention, and without the consent or acquiescence of the applicant or of any person from whom he derives title.
- (4) Without prejudice to the provisions contained in sub-section (1), a patent may be revoked by the High Court on the petition of the Central Government, if the High Court is satisfied that the patentee has without reasonable cause failed to comply with the request of the Central Government to make, use or exercise the patented invention for the purposes of Government within the meaning of section 99 upon reasonable terms.
- (5) A notice of any petition for revocation of a patent under this section shall be served on all persons appearing from the register

to be proprietors of that patent or to have shares or interests therein and it shall not be necessary to serve a notice on any other person.

The Supreme Court (SC) explained in its ruling in the case of **Dr. Aloys Wobben & Anr. vs. Yogesh Mehra & Ors** that, in accordance with Section 64 of the Patent Act, 1970, a patent may be revoked either through the submission of a revocation petition to the Intellectual Property Appellate Board (IPAB) or through the filing of a counterclaim in a lawsuit alleging patent infringement. The patent holder cannot be sued in both cases at the same time by the person challenging the validity of the patent. The challenger won't be able to use the other remedy if the court tries to use one of the remedies.

**Section 65. Revocation of patent or amendment of complete specification on directions from Government in cases relating to atomic energy.**

- (1) Where at any time after grant of a patent, the Central Government is satisfied that a patent is for an invention relating to atomic energy for which no patent can be granted under sub-section (1) of section 20 of the Atomic Energy Act, 1962 (33 of 1962), it may direct the Controller to revoke the patent, and thereupon the Controller, after giving notice, to the patentee and every other person whose name has been entered in the register as having an interest in the patent, and after giving them an opportunity of being heard, may revoke the patent.
- (2) In any proceedings under sub-section (1), the Controller may allow the patentee to amend the complete specification in such manner as he considers necessary instead of revoking the patent.

**Section 66. Revocation of patent in public interest.**

Where the Central Government is of opinion that a patent or the mode in which it is exercised is mischievous to the State or generally prejudicial to the public, it may, after giving the patentee an opportunity to be heard, make a declaration to that effect in the Official Gazette and thereupon the patent shall be deemed to be revoked.

**Section 85. Revocation of patents by the Controller for non-working.—**

- (1) Where, in respect of a patent, a compulsory licence has been granted, the Central Government or any person interested may, after the expiration of two years from the date of the order granting the first compulsory licence, apply to the Controller for an order revoking the patent on the ground that the patented invention has not been worked in the territory of India or that reasonable requirements of the public with respect to the patented invention has not been satisfied or that the patented invention is not available to the public at a reasonably affordable price.
- (2) Every application under sub-section (1) shall contain such particulars as may be prescribed, the facts upon which the application is based, and, in the case of an application other than by the Central Government, shall also set out the nature of the applicant's interest.
- (3) The Controller, if satisfied that the reasonable requirements of the public with respect to the patented invention have not been satisfied or that patented invention have not been worked in the territory of India or that the patented invention is not available to the public at a reasonably affordable price, may make an order revoking the patent.
- (4) Every application under sub-section (1) shall ordinarily be decided within one year of its being presented to the Controller.

**Self-Assessment Questions**

1. Define a patent according to the Patent Act, 1970. Discuss the requirements for an invention to qualify as patentable, focusing on novelty, inventive step, and industrial application.
2. What is the process of filing a patent application in India, and why is it important to file a provisional or complete specification?
3. What are the key rights of a patentee under the Indian Patent Act, 1970, and how do these rights balance the interests of the patentee and others?
4. Discuss the concept of compulsory licenses under the Indian Patent Act, 1970. How do the provisions for granting compulsory licenses balance the interests of patent holders, the public, and

the government, ensuring that patented inventions benefit society and are made available at affordable prices?

5. Discuss the grounds for revoking a patent under the Indian Patent Act, 1970, as outlined in the Act. How do the different provisions ensure the integrity of the patent system while balancing the interests of patentees, the public, and the government?



## UNIT - IV

### Lesson 4.1 - Copyrights (The Copyrights Act, 1957)

#### Definition

The word *copy* has a range of meanings: transcript, imitation, reproduction of an original writing or painting etc. Creators of literary artistic or musical works in ancient times did not worry about their work being copied. However, the question of copyright came to the fore when the printing technology made its appearance. The first to be affected adversely by printing were the authors whose books/works could be *copied* in large numbers by unauthorised persons, who would reap the benefits depriving the authors of just rewards of their intellectual work. Later as technology advanced, several other categories of originators of intellectual works were included under copyright: literary, dramatic, musical, artistic, cinematograph film, sound recording. Broadly speaking, copyright is an exclusive right granted by law for a specified period to the creator of a work of thought against any form of copying by an unauthorised person. Under copyright, several acts are defined which are prohibited to prevent what would amount to copying. The things for which copyright subsists emerge from ideas, concepts, thoughts etc. that are common to all, but these things have been put in a fixed form using one's mental faculty.

The first enactment on copyright in India was the Indian Copyright Act, 1914, which modified the Copyright Act, 1911 of UK that was applicable at that time to India. To meet the changes brought by advances in technology of communication and reproduction, as also the emergence of India as an independent nation with its own aspirations and agenda for development, a complete revision of the law of copyright was effected in the form of The Copyright Act, 1957. It was amended from time to time, the last being in 2017. The copyright Act, 1957, as amended in 1999 came into effect on May 26, 2019. In the following text, we will refer to it as the Act.

The object of copyright law is to encourage authors, composers, artists and designers to create original works by rewarding them with an exclusive right for a limited period. Such exclusive rights are permitted for literary, dramatic, musical, artistic, cinematograph film and sound recordings.

Licensing the right to publishers, film producers and music record manufacturers permits the economic exploitation. The law also aims at preventing anyone from reproducing or exploiting another person's work without authorisation.

Please remember that copyright in a work is not a single right; it bundles several rights together. For example, copyright in a book is not merely the right to bring it out in varied editions, but also the right to serialise it in media, to its dramatic and cinematographic versions, translation, abridgement and adaptation etc. Copyright is also accompanied with other related rights going beyond reproduction of the work; these rights are known as Neighbouring Rights. These include the right to works derived from the original work, the right to public performance and the right to recording and broadcasting. The bundle of rights that constitutes copyright has two kinds of rights: (a) the economic rights that take care of the economic interests of the author, and (b) the moral rights, that is, the rights that concern the status, respect and dignity of the author. The economic rights deal with issues like permission to publication or reproduction of the work or their adaptation or translation and the right to assign or license the copyright. The moral rights include the right to claim and be recognised as the author of your intellectual creation, and have your name mentioned as the author whenever your work is used; similarly the author has the right to object to the use of the work in a manner or in a context that would compromise his honour and reputation.

#### **Section 14 of the Copyright Act, 1957 provides the Meaning of Copyright**

For the purposes of this Act, "copyright" means the exclusive right subject to the provisions of this Act, to do or authorise the doing of any of the following acts in respect of a work or any substantial part thereof, namely—

- (a) in the case of a literary, dramatic or musical work, not being a computer programme,
  - (i) to reproduce the work in any material form including the storing of it in any medium by electronic means;
  - (ii) to issue copies of the work to the public not being copies already in circulation;
  - (iii) to perform the work in public, or communicate it to the public;

- (iv) to make any cinematograph film or sound recording in respect of the work;
- (v) to make any translation of the work;
- (vi) to make any adaptation of the work;
- (vii) to do, in relation to a translation or an adaptation of the work, any of the acts specified in relation to the work in sub-clauses (i) to (vi);
- (b) in the case of a computer programme:
  - (i) to do any of the acts specified in clause (a);
  - [(ii) to sell or give on commercial rental or offer for sale or for commercial rental any copy of the computer programme: Provided that such commercial rental does not apply in respect of computer programmes where the programme itself is not the essential object of the rental.]
- (c) in the case of an artistic work,—
  - [(i) to reproduce the work in any material form including—
    - (A) the storing of it in any medium by electronic or other means; or
    - (B) depiction in three-dimensions of a two-dimensional work; or
    - (C) depiction in two-dimensions of a three-dimensional work;]
- (d) in the case of a cinematograph film,—
  - [(i) to make a copy of the film, including—
    - (A) a photograph of any image forming part thereof; or
    - (B) storing of it in any medium by electronic or other means;]
    - [(ii) to sell or give on commercial rental or offer for sale or for such rental, any copy of the film.]
    - (iii) to communicate the film to the public;
- (e) in the case of a sound recording,—
  - (i) to make any other sound recording embodying it 2[including storing of it in any medium by electronic or other means];
  - [(ii) to sell or give on commercial rental or offer for sale or for such rental, any copy of the sound recording;]
  - (iii) to communicate the sound recording to the public.

*Explanation.*—For the purposes of this section, a copy which has been sold once shall be deemed to be a copy already in circulation].

Only original works are entitled for protection under the Act. Copyright is not concerned with literary quality, or artistic merit or originality of thought in the work. Ideas are not protected by copyright; only the material form of their expression is protected provided sufficient labour, skill and judgment has been exercised. Two authors writing independently on the same theme would produce two independent works and copyright in each work would belong to the respective author.

In the case of *R.G. Anand v. M/s. Delux Films & Ors.*, the Supreme Court of India dealt with the infringement of copyright in a play. The plaintiff, R.G. Anand, was the playwright and copyright owner of the play titled “Hum Hindustani.” The defendant, M/s. Delux Films, produced a movie titled “New Delhi,” which the plaintiff alleged was a substantial adaptation of his play without his authorization. The central issue before the court was whether the movie infringed upon the plaintiff’s copyright in the play. The Supreme Court held that while minor similarities might not constitute infringement, substantial similarities in plot, characterization, and dialogue could imply unlawful copying. The court emphasized that copyright protection extends not only to literal copying but also to substantial and material copying of original works. The case established significant principles in Indian copyright law regarding the scope of protection and criteria for infringement, underscoring the importance of originality and creativity in literary works.

### **Subject Matter of Copyright**

The copyright shall subsist in the following classes of work:

- Original literary, dramatic, musical and artistic works;
- Cinematograph films
- Sound recording

*Literary work* includes computer programmes and compilations including databases. Dramatic work includes any piece for recitation, choreographic work or entertainment in a dumb show, scenic arrangement or acting, the form of which is fixed in writing or otherwise.

***Eastern Book Company & Ors. v. D.B. Modak & Anr.***

Eastern Book Company (EBC) published law books including compilations of judgments, which were compiled electronically and stored in databases. D.B. Modak reproduced substantial parts of EBC's compilations without authorization, claiming they were not protected under copyright law as mere compilations of data. EBC contended that their compilations qualified as literary works under the Copyright Act, including databases, and sought relief for copyright infringement. In this significant case, the Supreme Court of India interpreted the scope of literary works under the Copyright Act, emphasizing that compilations, including those stored in databases, constitute original literary works eligible for copyright protection. The case clarified the definition and protection of literary works encompassing computer programs and compilations, establishing important precedents for copyright law in India.

*Musical work* includes graphical notation of music; it does not include any work or action intended to be sung, spoken or performed with the music.

***Indian Performing Right Society Ltd. v. Eastern Indian Motion Pictures Association***

The Indian Performing Right Society Ltd. (IPRS) filed a case against the Eastern Indian Motion Pictures Association alleging copyright infringement of musical works represented by graphical notations. The dispute centered on whether the graphical notations used in films constituted musical works eligible for copyright protection under the Copyright Act. In this case, the Calcutta High Court deliberated on the definition of musical works under the Copyright Act, specifically addressing the inclusion of graphical notations as protected forms of musical expression. The judgment clarified the scope of musical works under Indian copyright law, emphasizing the protection afforded to graphical notations representing music compositions.

*Artistic work* means a painting, a sculpture, a drawing (including a diagram, map, chart, plan); an engraving; a photograph; a work of architecture having an artistic character or design, including its model; any other work of craftsmanship.

In the case of ***RG Anand v. Deluxe Films***, heard by the Supreme Court of India, the dispute arose when RG Anand, a playwright, accused Deluxe

Films of infringing his copyright by adapting his play “Hum Hindustani” into a film without proper authorization. This case was pivotal in defining the scope of artistic works under the Indian Copyright Act, emphasizing the protection extended to various forms of artistic expression such as paintings, sculptures, drawings (including diagrams, maps, charts, and plans), and architectural works. The judgment in this landmark case significantly influenced the interpretation and application of copyright law concerning artistic works in India.

*Cinematograph film* means any work of visual recording on any medium produced through a process from which a moving image may be produced by any means and includes a sound recording accompanying such visual recording.

*Sound recording* means recording of sounds on any medium, from which the original sound may be reproduced regardless of the medium of record or of the method used to reproduce the sounds.

The copyright means exclusive right to do or authorise to do the following acts:

**In the case of literary, dramatic or musical work:**

- to reproduce the work in any material form, this includes storing it by electronic means;
- to perform the work in public or communicate it to the public;
- to make any cinematograph film or sound recording in respect of that work;
- to make any translation or adaptation of the work or to do any of the above acts in respect to any translation or adaptation of the work.

**In the case of computer programmes:**

- any of the acts specified above;
- to sell or commercially rent any copy of the computer programme.

**In the case of artistic work:**

- to reproduce the work in any material form, including depiction in 3-D of a 2-D work or in 2-D of a 3-D work;
- to communicate the work to the public;

- to include the work in any cinematograph film;
- to make an adaptation of the work and/or to do any of the work mentioned above in respect of the adaptation.

**In the case of cinematograph film:**

- to make a copy of the film, including a photograph of any images forming part of the film;
- to sell or hire any copy of the film;
- to communicate the film to the public.

**In the case of sound recording:**

- to make any sound recording embodying it;
- to sell or give on hire or offer for sale any copy of the sound recording;
- to communicate the sound recording to the public.

Thus, Copyright in a work is not a single right, but it bundles several rights together, including a negative right. Broadly, these rights can be grouped as follows:

- the right of publication;
- the neighbouring (related) rights;
- the right to prevent anybody from altering the content of the work that may damage the author's reputation; and
- the right of authorship or the right of paternity.

Even after a copyright is assigned wholly to another person, the author of the work retains the right to the claim for authorship of the work and the right to restrain or claim damages in respect of any distortion, mutilation, modification that are prejudicial to the honour or reputation of the author. The author has the right to prosecute anybody who publishes the work without the author's consent.

The artist who performs the drama or music has no right and there is no copyright in the performance as such, even though the dramatic work and music and lyrics can be copyrighted.

**Criteria for Entitlement for a Copyright**

In order to be entitled for a copyright in a work in India, its author must fulfil certain other qualifications besides the originality of the



work in respect of form of expression. These require that the work be published in India, or if it is first published outside India, the author, at the time of publication, be a citizen of India, or if the work is published posthumously, the author at the time of death be a citizen of India. In the case of unpublished work the author must be a citizen of India, or domiciled in India, at the time of making the work. However, this does not apply to works of architecture.

The above-mentioned requirements do not apply to works of foreign authors or of foreign organisations. However, the Central Government may extend the copyright protection under the Act to such works subject to certain conditions on the basis of reciprocal arrangement with foreign countries in respect of grant of copyright to Indian authors in those countries similar to those granted to their own nationals.

### **Terms of Copyrights**

It is given under Chapter V of the Copyright Act, 1957.

#### **Section 22. Term of copyright in published literary, dramatic, musical and artistic works.—**

Except as otherwise hereinafter provided, copyright shall subsist in any literary, dramatic, musical or artistic work published within the lifetime of the author until [sixty years] from the beginning of the calendar year next following the year in which the author dies.

*Explanation.*—In this section the reference to the author shall, in the case of a work of joint authorship, be construed as a reference to the author who dies last.

#### **Section 23. Term of copyright in anonymous and pseudonymous works.—**

- (1) In the case of literary, dramatic, musical or artistic work (other than a photograph), which is published anonymously or pseudonymously, copyright shall subsist until [sixty years] from the beginning of the calendar year next following the year in which the work is first published. Provided that where the identity of the author is disclosed before the expiry of the said period, copyright shall subsist until [sixty years] from the beginning of the calendar year next following the year in which the author dies.



- (2) In sub-section (1), references to the author shall, in the case of an anonymous work of joint authorship, be construed,—
  - (a) where the identity of one of the authors is disclosed, as references to that author;
  - (b) where the identity of more authors than one is disclosed, as references to the author who dies last from amongst such authors.
- (3) In sub-section (1), references to the author shall, in the case of a pseudonyms work of joint authorship, be construed,—
  - (a) where the names of one or more (but not all) of the authors are pseudonyms and his or their identity is not disclosed, as references to the author whose name is not a pseudonym, or, if the names of two or more of the authors are not pseudonyms, as references to such of those authors who dies last;
  - (b) where the names of one or more (but not all) of the authors are pseudonyms and the identity of one or more of them is disclosed, as references to the author who dies last from amongst the authors whose names are not pseudonyms and the authors whose names are pseudonyms and are disclosed; and
  - (c) where the names of all the authors are pseudonyms and the identity of one of them is disclosed, as references to the author whose identity is disclosed or if the identity of two or more of such authors is disclosed, as references to such of those authors who dies last. *Explanation.*—For the purposes of this section, the identity of an author shall be deemed to have been disclosed, if either the identity of the author is disclosed publicly by both the author and the publisher or is otherwise established to the satisfaction of the 1[Appellate Board] by that author.

#### **Section 24. Term of copyright in posthumous work.—**

- (1) In the case of a literary, dramatic or musical work or an engraving, in which copyright subsists at the date of the death of the author or, in the case of any such work of joint authorship, at or immediately before the date of the death of the author who dies last, but which, or any adaptation of which, has not been published before that date, copyright

shall subsist until [sixty years] from the beginning of the calendar year next following the year in which the work is first published or, where an adaptation of the work is published in any earlier year, from the beginning of the calendar year next following that year.

- (2) For the purposes of this section a literary, dramatic or musical work or an adaptation of any such work shall be deemed to have been published, if it has been performed in public or if any [sound recordings] made in respect of the work have been sold to the public or have been offered for sale to the public.

#### **Section 26. Term of copyright in cinematograph films.—**

In the case of a cinematograph film, copyright shall subsist until [sixty years] from the beginning of the calendar year next following the year in which the film is published.

#### **Section 27. Term of copyright in sound recording.—**

In the case a [sound recording] copyright shall subsist until [sixty years] from the beginning of the calendar year next following the year in which the [sound recording] is published.

#### **Section 28. Term of copyright Government works.—**

In the case of Government work, where Government is the first owner of the copyright therein, copyright shall subsist until [sixty years] from the beginning of the calendar year next following the year in which the work is first published.

#### **Section 28A. Term of copyright in works of public undertakings.—**

In the case of a work, where a public undertaking is the first owner of the copyright therein, copyright shall subsist until [sixty years] from the beginning of the calendar year next following the year in which the work is first published.

#### **Section 29. Term of copyright in works of international organisations.—**

In the case of a work of an international organisation to which the provisions of section 41 apply, copyright shall subsist until [sixty years] from the beginning of the calendar year next following the year in which the work is first published.

**Rights of Broadcasting Authorities****Section 37. Broadcast reproduction right.—**

- (1) Every broadcasting organisation shall have a special right to be known as “broadcast reproduction right” in respect of its broadcasts.
- (2) The broadcast reproduction right shall subsist until twenty-five years from the beginning of the calendar year next following the year in which the broadcast is made.
- (3) During the continuance of a broadcast reproduction right in relation to any broadcast, any person who, without the licence of the owner of the right does any of the following acts of the broadcast or any substantial part thereof,—
  - (a) re-broadcast the broadcast; or
  - (b) causes the broadcast to be heard or seen by the public on payment of any charges; or
  - (c) makes any sound recording or visual recording of the broadcast; or
  - (d) makes any reproduction of such sound recording or visual recording where such initial recording was done without licence or, where it was licensed, for any purpose not envisaged by such licence; or
  - [(e) sells or given on commercial rental or offer for sale or for such rental, may such sound recording or visual recording referred to in clause (c) or clause (d)].

**Section 38. Performer’s right.—**

- (1) Where any performer appears or engages in any performance, he shall have a special right to be known as the “performer’s right” in relation to such performance.
- (2) The performer’s right shall subsist until [fifty years] from the beginning of the calendar year next following the year in which the performance is made.

**Section 38A. Exclusive right of performers.—**

- (1) Without prejudice to the rights conferred on authors, the performer’s right which is an exclusive right subject to the

provisions of this Act to do or authorise for doing any of the following acts in respect of the performance or any substantial part thereof, namely:—

- (a) to make a sound recording or a visual recording of the performance, including—
    - (i) reproduction of it in any material form including the storing of it in any medium by electronic or any other means;
    - (ii) issuance of copies of it in any material form including the storing of it in any medium by electronic or any other means;
    - (iii) communication of it to the public;
    - (iv) selling or giving it on commercial rental or offer for sale or for commercial rental any copy or the recording;
  - (b) to broadcast or communicate the performance to the public except where the performance is already broadcast.
- (2) Once a performer has, by written agreement, consented to the incorporation of his performance in a cinematograph film he shall not, in the absence of any contract to the contrary, object to the enjoyment by the producer of the film of the performer's right in the same film:

Provided that, notwithstanding anything contained in this sub-section, the performer shall be entitled for royalties in case of making of the performances for commercial use.

### **Section 38B. Moral rights of the performer.—**

The performer of a performance shall, independently of his right after assignment, either wholly or partially of his right, have the right,—

- (a) to claim to be identified as the performer of his performance except where omission is dictated by the manner of the use of the performance; and
- (b) to restrain or claim damage in respect of any distortion, mutilation or other modification of his performance that would be prejudicial to his reputation.

*Explanation.*—For the purpose of this clause, it is already clarified that mere removal of any portion of a performance for the purpose of editing,

or to fit the recording within a limited duration, or any other modification required for purely technical reasons shall not be deemed to be prejudicial to the performer's reputation.]

**Section 39. Acts not infringing broadcast reproduction right or performer's right.—**

No broadcast reproduction right or performer's right shall be deemed to be infringed by—

- (a) the making of any sound recording or visual recording for the private use of the person making such recording, or solely for purposes of *bona fide* teaching or research; or
- (b) the use, consistent with fair dealing, of excerpts of a performance or of a broadcast in the reporting of current events or for *bona fide* review, teaching or research; or
- (c) such other acts, with any necessary adaptations and modifications, which do not constitute infringement of copyright under section 52.

**Section 39A. Certain provisions to apply in case of broadcast reproduction right and performer's rights.—**

Sections 18, 19, 30, 30A, 33, 33A, 34, 35, 36, 53, 55, 58, 63, 64, 65, 65A, 65B and 66 shall, with necessary adaptations and modifications, apply in relation to the broadcast reproduction right in any broadcast and the performer's right in any performance as they apply in relation to copyright in a work:

Provided that where copyright to performer's right subsists in respect of any work or performance that has been broadcast, no licence to reproduce such broadcast, shall be given without the consent of the owner of rights or performer, as the case may be, or both of them:

Provided further that the broadcast reproduction right or performer's right shall not subsist in any broadcast or performance if that broadcast or performance is an infringement of the copyright in any work.

- (2) The broadcast reproduction right or the performer's right shall not affect the separate copyright in any work in respect of which, the broadcast or the performance, as the case may be, is made.]

**Registration of Copyrights****Section 44. Register of Copyrights.—**

There shall be kept at the Copyright Office a register in the prescribed form to be called the Register of Copyrights in which may be entered the names or titles of works and the names and addresses of authors, publishers and owners of copyright and such other particulars as may be prescribed.

The author or publisher of any work or the owner of the copyright in any work may apply to the Registrar of Copyright in prescribed form, accompanied by due fees, to enter the particulars of the work under the Register of Copyrights. The Registrar, after holding such enquiry as he deems fit, may enter the particulars of the work in the register. There is provision for correction of entries in the register, or rectification of the Register. Every entry made in the Register, or any correction or rectification is required to be published by the Registrar in the official Gazette.

Registration confers a bundle of rights in relation to the copyright, as discussed. However, it is not necessary to register the work for copyright. There is nothing in the Act, which makes registration of copyright as a precondition for availing of the remedies for infringement. Registration only provides prima facie evidence of particulars entered, without the necessity of further proof by way of production of the original.

**Appellate Board****Section 11. Appellate Board.—**

- (1) The Appellate Board established under section 83 of the Trademarks Act, 1999 (47 of 1999) shall, on and from the commencement of Part XIV of Chapter VI of the Finance Act, 2017, be the Appellate Board for the purposes of this Act and the said Appellate Board shall exercise the jurisdiction, powers and authority conferred on it by or under this Act.

**Section 6. Certain disputes to be decided by [Appellate Board].—**

If any question arises—

- (a) whether a work has been published or as to the date on which a work was published for the purposes of Chapter V, or
- (b) whether the term of copyright for any work is shorter in any other country than that provided in respect of that work under this Act,

**it shall be referred to the [Appellate Board] constituted under section 11 whose decision thereon shall be final:**

Provided that if in the opinion of the [Appellate Board], the issue of copies or communication to the public referred to in section 3 was of an insignificant nature, it shall not be deemed to be publication for the purposes of that section.

**Section 12. Powers and procedure of [Appellate Board].—**

- (1) The [Appellate Board] shall, subject to any rules that may be made under this Act, have power to regulate its own procedure, including the fixing of places and times of its sittings:

Provided that the [Appellate Board] shall ordinarily hear any proceeding instituted before it under this Act within the zone in which, at the time of the institution of the proceeding, the person instituting the proceeding actually and voluntarily resides or carries on business or personally works for gain.

*Explanation.*—In this sub-section “zone” means a zone specified in section 15 of the States Reorganisation Act, 1956 (37 of 1956).

- (2) The [Appellate Board] may exercise and discharge its powers and functions through Benches constituted by the Chairman of the [Appellate Board] from amongst its [members]:

[Provided that, if the Chairman is of opinion that any matter of importance is required to be heard by a larger bench, he may refer the matter to a special bench consisting of five members.]

- (5) No member of the [Appellate Board] shall take part in any proceedings before the Board in respect of any matter in which he has a personal interest.
- (6) No act done or proceeding taken by the [Appellate Board] under this Act shall be questioned on the ground merely of the existence of any vacancy in, or defect in the constitution of, the Board.
- (7) The [Appellate Board] shall be deemed to be a civil court for the purposes of [sections 345 and 346 of the Code of Criminal Procedure, 1973 (2 of 1974)] and all proceedings before the Board shall be deemed to be judicial proceedings within the meaning of sections 193 and 228 of the Indian Penal Code (45 of 1860).



**International Copyrights**

It is given under Chapter IX

**Section 40. Power to extend copyright to foreign works.—**

The Central Government may, by order published in the Official Gazette, direct that all or any provisions of this Act shall apply—

- (a) to work first published in any territory outside India to which the order relates in like manner as if they were first published within India;
- (b) to unpublished works, or any class thereof, the authors whereof were at the time of the making of the work, subjects or citizens of a foreign country to which the order relates, in like manner as if the authors were citizens of India;
- (c) in respect of domicile in any territory outside India to which the order relates in like manner as if such domicile were in India;
- (d) to any work of which the author was at the date of the first publication thereof, or, in a case where the author was dead at that date, was at the time of his death, a subject or citizen of a foreign country to which the order relates in like manner as if the author was a citizen of India at that date or time; and thereupon, subject to the provisions of this Chapter and of the order, this Act shall apply accordingly: Provided that—
  - (i) before making an order under this section in respect of any foreign country (other than a country with which India has entered into a treaty or which is a party to a convention relating to copyright to which India is also a party), the Central Government shall be satisfied that that foreign country has made, or has undertaken to make, such provisions if any, as it appears to the Central Government expedient to require for the protection in that country of works entitled to copyright under the provisions of this Act;
  - (ii) the order may provide that the provisions of this Act shall apply either generally or in relation to such classes of works or such classes of cases as may be specified in the order;
  - (iii) the order may provide that the term of copyright in India shall not exceed that conferred by the law of the country to which the order relates 1[but such a term or copyright shall



- not exceed the term of copyright provided under this Act];
- (iv) the order may provide that the enjoyment of the rights conferred by this Act shall be subject to the accomplishment of such conditions and formalities, if any, as may be prescribed by the order;
  - (v) in applying the provisions of this Act as to ownership of copyright, the order may make such exception and modifications as appear necessary, having regard to the law of the foreign country;
  - (vi) the order may provide that this Act or any part thereof shall not apply to works made before the commencement of the order or that this Act or any part thereof shall apply to works first published before the commencement of the order.

**Section 40A. Power of Central Government to apply Chapter VIII to broadcasting organisations and performers in certain other countries.—**

- (1) If the Central Government is satisfied that a foreign country (other than a country with which India has entered into a treaty or which is a party to a convention relating to rights of broadcasting organisations and performers to which India is also a party) has made or has undertaken to make such provisions, if any, as it appears to the Central Government expedient to require, for the protection in that foreign country, of the rights of broadcasting organisations and performers as is available under this Act, it may, by order published in the Official Gazette, direct that the provisions of Chapter VIII shall apply—
  - (a) to broadcasting organisation whose headquarters is situated in a country to which the order relates or, the broadcast was transmitted from a transmitted situated in a country to which the order relates as if the headquarters of such organisation were situated in India or such broadcast were made from India;
  - (b) to performances that took place outside India to which the order relates in like manner as if they took place in India;
  - (c) to performance that are incorporated in a sound recording published in a country to which the order relates as if it were published in India;

- (d) to performances not fixed on a sound recording broadcast by a broadcasting organisation the headquarters of which is located in a country to which the order relates or where the broadcast is transmitted from a transmitted which is situated in a country to which the order relates as if the headquarters of such organisation were situated in India or such broadcast were made from India.
- (2) Every order made under sub-section (1) may provide that—
  - (i) the provisions of Chapter VIII, shall apply either generally or in relation to such class or classes of broadcasts or performances or such other class or classes of cases as may be specified in the order;
  - (ii) the term of the rights of broadcasting organisations and performers in India shall not exceed such term as is conferred by the law of the country to which the order relates;
  - (iii) the enjoyment of the rights conferred by Chapter VIII shall be subject to the accomplishment of such conditions and formalities, if any, as may be specified in that order;
  - (iv) Chapter VIII of any part thereof shall not apply to broadcast and performances made before the commencement of the order or that Chapter VIII or any part thereof shall not apply to broadcasts and performances broadcast or performed before the commencement of the order;
  - (v) in case of ownership of rights of broadcasting organisations and performers, the provisions of Chapter VIII shall apply with such exceptions and modifications as the Central Government may, having regard to the law of the foreign country, consider necessary.]

**Section 41. Provisions as to works of certain international organisations.—**

- (1) Where—
  - (a) any work is made or first published by or under the direction or control of any organisation to which this section applies, and
  - (b) there would, apart from this section, be no copyright in the work in India at the time of the making or, as the case may be, of the first publication thereof, and

(c) either—

- (i) the work is published as aforesaid in pursuance of an agreement in that behalf with the author, being an agreement which does not reserve to the author the copyright, if any, in the work, or
  - (ii) under section 17 any copyright in the work would belong to the organisation; there shall, by virtue of this section, be copyright in the work throughout India.
- (2) Any organisation to which this section applies which at the material time had not the legal capacity of a body corporate shall have and be deemed at all material times to have had the legal capacity of a body corporate for the purpose of holding, dealing with, and enforcing copyright and in connection with all legal proceedings relating to copyright.
- (3) The organisations to which this section applies are such organisations as the Central Government may, by order published in the Official Gazette, declare to be organisations of which one or more sovereign powers or the Government or Governments thereof are members to which it is expedient that this section shall apply.

**Section 42. Power to restrict rights in works of foreign authors first published in India.—**

If it appears to the Central Government that a foreign country does not give or has not undertaken to give adequate protection to the works of Indian authors, the Central Government may, by order published in the Official Gazette, direct that such of the provisions of this Act as confer copyright on works first published in India shall not apply to works, published after the date specified in the order, the authors whereof are subjects or citizens of such foreign country and are not domiciled in India, and thereupon those provisions shall not apply to such works.

**Section 42A. Power to restrict rights of foreign broadcasting organisations and performers.—**

If it appears to the Central Government that a foreign country does not give or has not undertaken to give adequate protection to rights of broadcasting organisations or performers, the Central Government may,

by order published in the Official Gazette, direct that such of the provisions of this Act as confer right to broadcasting organisations or performers, as the case may be, shall not apply to broadcasting organisations or performers whereof are based or incorporated in such foreign country or are subjects or citizens of such foreign country and are not incorporated or domiciled in India, and thereupon those provisions shall not apply to such broadcasting organisations or performers.

[Provided that it does not exceed the period provided under this Act.]

### **Section 43. Orders under this Chapter to be laid before Parliament.—**

Every order made by the Central Government under this Chapter shall, as soon as may be after it is made, be laid before both Houses of Parliament and shall be subject to such modifications as Parliament may make during the session in which it is so laid or the session immediately following.

## **Assignment of Copyright**

### **Section 18. Assignment of copyright.—**

- (1) The owner of the copyright in an existing work or the prospective owner of the copyright in a future work may assign to any person the copyright either wholly or partially and either generally or subject to limitations and either for the whole term of the copyright or any part thereof:

Provided that in the case of the assignment of copyright in any future work, the assignment shall take effect only when the work comes into existence.

[Provided further that no such assignment shall be applied to any medium or mode of exploitation of the work which did not exist or was not in commercial use at the time when the assignment was made, unless the assignment specifically referred to such medium or mode of exploitation of the work:

Provided also that the author of the literary or musical work included in a cinematograph film shall not assign or waive the right to receive royalties to be shared on an equal basis with the assignee of copyright for the utilisation of such work in any form other than for the communication to the public of the work along with the cinematograph film in a cinema hall, except to the legal heirs of the authors or to a copyright society for collection and

distribution and any agreement to contrary shall be void:

Provided also that the author of the literary or musical work included in the sound recording but not forming part of any cinematograph film shall not assign or waive the right to receive royalties to be shared on an equal basis with the assignee of copyright for any utilisation of such work except to the legal heirs of the authors or to a collecting society for collection and distribution and any assignment to the contrary shall be void.]

- (2) Where the assignee of a copyright becomes entitled to any right comprised in the copyright, the assignee as respects the rights so assigned, and the assignor as respects the rights not assigned, shall be treated for the purposes of this Act as the owner of copyright and the provisions of this Act shall have effect accordingly.
- (3) In this section, the expression "assignee" as respects the assignment of the copyright in any future work includes the legal representatives of the assignee, if the assignee dies before the work comes into existence.

*In Case of Amar Nath Sehgal v. Union of India & Ors.*

Amar Nath Sehgal, a renowned sculptor, created several sculptures and works of art, including the iconic "Bharat Mata" statue. The copyright in his works was assigned to the Lalit Kala Akademi under an agreement dated January 1, 1985, for the purpose of reproduction and dissemination. The assignment was challenged by Mr. Sehgal, claiming that the terms of the assignment were not being adhered to, particularly regarding the manner of exploitation and reproduction of his works. In this case, the Delhi High Court deliberated on the rights of the artist and the obligations of the assignee under the Copyright Act, highlighting the importance of clarity and adherence to terms in copyright assignments.

#### **Section 19. Mode of assignment.—**

- [(1)] No assignment of the copyright in any work shall be valid unless it is in writing signed by the assignor or by his duly authorised agent.
- [(2)] The assignment of copyright in any work shall identify such work, and shall specify the rights assigned and the duration and territorial extent of such assignment.

- (3) The assignment of copyright in any work shall also specify the amount of [royalty and any other consideration payable], to the author or his legal heirs during the currency of the assignment and the assignment shall be subject to revision, extension or termination on terms mutually agreed upon by the parties.
- (4) Where the assignee does not exercise the rights assigned to him under any of the other sub-sections of this section within period of one year from the date of assignment, the assignment in respect of such right shall be deemed to have lapsed after the expiry of the said period unless otherwise specified in the assignment.
- (5) If the period of assignment is not stated, it shall be deemed to be five years from the date of assignment.
- (6) If the territorial extent of assignment of the rights is not specified, it shall be presumed to extend within India.
- (7) Nothing in sub-section (2) or sub-section (3) or sub-section (4) or sub-section (5) or sub-section (6) shall be applicable to assignments made before the coming into force of the Copyright (Amendment) Act, 1994].
- [(8) The assignment of copyright in any work contrary to the terms and conditions of the rights already assigned to a copyright society in which the author of the work is a member shall be void.
- (9) No assignment of copyright in any work to make a cinematograph film shall affect the right of the author of the work to claim an equal share of royalties and consideration payable in case of utilisation of the work in any form other than for the communication to the public of the work, along with the cinematograph film in a cinema hall.
- (10) No assignment of the copyright in any work to make a sound recording which does not form part of any cinematograph film shall affect the right of the author of the work to claim an equal share of royalties and consideration payable for any utilisation of such work in any form.]

**Section 19A. Disputes with respect to assignment of copyright.—**

- (1) If an assignee fails to make sufficient exercise of the rights assigned to him, and such failure is not attributable to any act or omission of the assignor, then, the 6[Appellate Board] may, on receipt of a complaint from the assignor and after holding such inquiry as it

may deem necessary, revoke such assignment.

- (2) If any dispute arises with respect to the assignment of any copyright, the 6[Appellate Board] may, on receipt of a complaint from the aggrieved party and after holding such inquiry as it considers necessary, pass such order as it may deem fit including an order for the recovery of any royalty payable:

Provided that the [Appellate Board] shall not pass any order under this sub-section to revoke the assignment unless it is satisfied that the terms of assignment are harsh to the assignor in case the assignor is also the author:

[Provided further that, pending the disposal of an application for revocation of assignment under this sub-section, the 2[Appellate Board] may pass such order, as it deems fit regarding implementation of the terms and conditions of assignment including any consideration to be paid for the enjoyment of the rights assigned:—

Provided also that,] no order of revocation of assignment under this sub-section, shall be made within a period of five years from the date of such assignment.]

- [(3) Every complaint received under sub-section (2) shall be dealt with by the [Appellate Board] as far as possible and efforts shall be made to pass the final order in the matter within a period of six months from the date of receipt of the complaint and any delay in compliance of the same, the 2[Appellate Board] shall record the reasons thereof.]

## **Transmission and Relinquishment of Copyrights**

### **Section 20. Transmission of copyright in manuscript by testamentary disposition.—**

Where under a bequest a person is entitled to the manuscript of a literary, dramatic or musical work, or to an artistic work, and the work was not published before the death of the testator, the bequest shall, unless the contrary intention is indicated in the testator's will or any codicil thereto, be construed as including the copyright in the work in so far as the testator was the owner of the copyright immediately before his death.



*Explanation.*—In this section, the expression “manuscript” means the original document embodying the work, whether written by hand or not.

### **Section 21. Right of author to relinquish copyright.—**

- (1) The author of a work may relinquish all or any of the rights comprised in the copyright in the work by giving notice in the prescribed form to [the Registrar of Copyrights or by way of public notice] and thereupon such rights shall, subject to the provisions of sub-section (3), cease to exist from the date of the notice.
- (2) On receipt of a notice under sub-section (1), the Registrar of Copyrights shall cause it to be published in the Official Gazette and in such other manner as he may deem fit.
- [(2A) The Registrar of Copyright shall, within fourteen days from the publication of the notice in the Official Gazette, post the notice on the official website of the Copyright Office so as to remain in the public domain for a period of not less than three years.]
- (3) The relinquishment of all or any of the rights comprised in the copyright in a work shall not affect any rights subsisting in favour of any person on the date of notice referred to in sub-section (1).

## **License of Copyrights**

### **Licences**

A licence is an authorisation to do a particular act. It is a limited right where the ownership of the copyright still remains with the author. Various rights of a work like, publication rights, in book form or in a cinematograph form, can be licensed to different persons. In licence the licensee gets the right to do a particular act in accordance with the conditions imposed in the licence deed.

### **Compulsory Licence**

If the owner of the copyright in any Indian work, which has been already published or performed in public, refuses to republish or allow the republication of the work or refuses permission for performance in public of the work those who are interested in republishing the work or repetition of the performance can complain to the Copyright Appellate Board. On satisfactory evidence and after hearing both sides the Board could pass an order of compulsory licence to the complainant.



In the case of an unpublished Indian work a compulsory licence can be issued if the copyright owner is dead, or unknown, or cannot be traced. The interested person can apply to the Copyright Appellate Board for a licence to publish the work or translation in any language.

## **Infringement of Copyrights and Remedies for Infringement**

### **Section 51. When copyright infringed.—**

Copyright in a work shall be deemed to be infringed—

- (a) when any person, without a licence granted by the owner of the copyright or the Registrar of Copyrights under this Act or in contravention of the conditions of a licence so granted or of any condition imposed by a competent authority under this Act—
  - (i) does anything, the exclusive right to do which is by this Act conferred upon the owner of the copyright, or
  - [(ii) permits for profit any place to be used for the communication of the work to the public where such communication constitutes an infringement of the copyright in the work, unless he was not aware and had no reasonable ground for believing that such communication to the public would be an infringement of copyright; or]
- (b) when any person—
  - (i) makes for sale or hire, or sells or lets for hire, or by way of trade displays or offers for sale or hire, or
  - (ii) distributes either for the purpose of trade or to such an extent as to affect prejudicially the owner of the copyright, or
  - (iii) by way of trade exhibits in public, or
  - (iv) imports into India, any infringing copies of the work:
 

[Provided that nothing in sub-clause (iv) shall apply to the import of one copy of any work for the private and domestic use of the importer.]

*Explanation.*—For the purposes of this section, the reproduction of a literary, dramatic, musical or artistic work in the form of a cinematograph film shall be deemed to be an “infringing copy”.

### What Constitutes Infringement

Anyone who violates the exclusive rights of the owner of copyrighted work for its commercial exploitation or its communication to the public, without the author's consent or authority is infringing the copyright. Under the Act *Infringing copy* means:

- The reproduction of literary, dramatic, musical or artistic work;
- A copy of the cinematograph film made on any medium by any means;
- In relation to sound recording any other recording embodying the same sound recording, made by any means;
- In relation to a programme or performance, which entails a broadcast reproduction right or a performer's right, the sound recording or cinematographic film of such programme or performance.

Copyright in a work is infringed if any person, without due authorisation of the owner of the copyright:

- Does any act which is against the exclusive right of the copyright owner; or
- Permits for profit a place to be used for communicating the work to the public, unless he was unaware that such communication to the public would be an infringement of copyright; or
- Sells or hires or by way of trade displays or distributes or exhibits in public, any infringing copy, so as to prejudicially affect the owner's interest. However, import of one copy for private use is not infringement.

To summarise, the infringement occurs if any of the following acts is committed without authorisation from the author:

- Reproduction of the work in a material form;
- Publication of the work;
- Communication of the work to the public;
- Performance of the work in public;
- Making of its translations and adaptation; and
- Commercially exploiting the work, or trying to do so.

***In case of Gramophone Company of India Ltd. v. Super Cassette Industries Ltd.***

Gramophone Company of India (GCI), the owner of the copyright in several sound recordings, brought a lawsuit against Super Cassette Industries (SCI) alleging copyright infringement. SCI had reproduced and distributed GCI's sound recordings without obtaining proper licenses or permissions from GCI. GCI argued that SCI's actions constituted a violation of their exclusive rights as copyright owners. In this notable case, the Bombay High Court examined the principles of copyright infringement concerning sound recordings. It addressed issues related to unauthorized reproduction and distribution, emphasizing the importance of securing licenses from copyright owners for the lawful use of their works. The case contributed significantly to the jurisprudence on copyright protection in the context of music and sound recordings in India.

The case of **Eastern Book Company & Others V. D.B. Modak & Another**, was itself puzzling because of the way deal with the concept of Copyright in India. It also questioned the degree of uniqueness required to copyright a certain work. This case came to light when a plaintiff, Eastern book company, file the petition in the court for the alleged infringement done by the respondents, viz Spectrum Business Support Ltd and Regent Datatech Pvt Ltd.

The petitioner, a well-known publishing house, claimed that the said respondents infringed its work (publication of supreme court orders and judgment) in a significant way. The defendant, in response, claimed that such actions cannot be deemed as copyright because for the following reason

- The fair modification and publication Supreme Court order seeks a great level of legal knowledge and skilled labour.
- There has been a minimal level of creativity involved in such a nature of work, thereby making it eligible for copyright protection.

Thus, the petitioner has no rights to leverage legal proceeding on the grounds of copyright protection.

The petitioners had tough times with these facts as these prevent them from winning the case in the lower and high court. However, Supreme Court rolled the dices for the petitioners by ruling the copyright judgement in their favour based on the above ground.

In **Ratna Sagar (P) Ltd. v. Trisea Publications & Ors.**, the petitioner, a renowned publisher of children's books "Living Science", sued respondent, who published the book "Unique Science" for the copyright infringement. According to the plaintiff, the content available in the defendant's book is deceptively similar to theirs. After examining either publication, the court held the respondent guilty of copyright infringement and imposed the perpetual injunction on such an act as per Sections 14 & 19 of the Act.

In **Najma Heptulla V. Orient Longman Ltd.**, the petitioner was the legal heir of Maulana Abdul Kalam Azad, who has provided this work to Prof. Humayun Kabir for its translation and narration. The plaintiff had given the copyright to the publisher and had received 50% of royalty for the next 30 years. Therefore, the court held that the plaintiff under no circumstance deters the publisher from publishing the book after completing the said term.

In **Hawkins Cooker Ltd. V. Magicook Appliances**, Hawkins Cooker Ltd., the famous Indian brand, sued Magicook Appliances for illicitly using their label used on their renowned pressure cooker line registered under the Copyright Act, 1957. The defendants were also deterred from using the plaintiff's cookbooks and were ordered to deliver up to the petitioner company for damage all alleged product, books, and articles employed by the defendants in the manufacturing of the offending goods. The plaintiff is also eligible to claim damages incurred by the defendants due to rendition of accounts.

#### **In Super Cassettes Industries Ltd. V Yahoo Inc. & Anr**

Suit for a perpetual injunction preventing copyright infringement triggered by unlawful streaming of SCIL's copyright works on Yahoo's video streaming platform. Yahoo had taken protection under the DMCA, i.e. Digital Millennium Copyright Act stating that they will get rid of infringing material when notified by the owner of the copyright, which is not applicable in India.

The court passed a copyright judgement preventing respondent, and its agents, offices and representative from violating, adapting, reproducing, or transmitting in any manner on their portal or other violating in any manner the feature films, musical work, or sound recording of the plaintiff claims copyright, without getting an apt copyright license from the plaintiff.

**Super Cassettes Industries Limited v. Youtube & Google**

SCIL claimed that the YouTube business model reaps substantial profit from the use of copyrighted work uploaded without availing approval from the rightful copyright owners and without paying any royalty for the same. The High court opined that video streaming giant and Google should stop reproducing, distributing, transmitting, or displaying on their portal any audio-visual works which are in the exclusive ownership of SCIL.

**Star India (P) Ltd. V. Piyush Agarwal & Ors,**

The Delhi High court opined that while the performance & sound/visual recordings of the said performance are covered under copyright protection, the facts from the broadcast were not. After the match's broadcast, is it impractical for any party to claim that such information manifested by the performance is not in the public domain. After airing the first broadcast of the performance, the information presented via performance is in the public domain. Hence, the agreement (regarding the 72-hour media right monopoly) between the plaintiff and the BCCI is not practical since copyright protection is not available for information in the public domain.

**What is not Infringement**

A blanket ban on reproduction of a work of science, literature and arts, either in full or part may, in certain circumstances, become inimical to the public purpose that a copyright is intended to serve. For example, such a total ban may, instead of promoting and stimulating study and research in science, humanities and arts, lead to thwart it and become counter productive. The Act, recognising such possibility, permits copying and reproduction of and from a copyrighted work in certain circumstances without attracting provisions of infringement. The principle behind such statutory exceptions to infringement is one of fair dealing or fair use of the copyrighted work, which provides balance between the copyright owner's exclusive rights, and the wider public interest. The fair use is to be determined by considering whether the part reproduced or copied is substantial and amounts to plagiarism. To determine whether the portion taken up from a work is substantial one does not necessarily depend on the volume of the material reproduced; it is very much a question of the importance and the import of the part picked up.

**Statutory Exceptions**

The Act has a long list of actions that are not to be regarded as infringement of copyright:

- a fair dealing with a literary, dramatic, musical or artistic work for private use including research, and for criticism or review;
- in the case of a computer programme, making copies or adaptation by the lawful possessions of a copy of the programme for the original or back up purposes; or for understanding its underlying principles and ideas, or for non- commercial personal use;
- a fair dealing of the work for reporting current events in newspaper or a periodical, or in a broadcast or a film or by means of a photograph. (The publication of a compilation of addresses or speeches delivered in public is not a fair dealing);
- reproduction for the purpose of a judicial proceeding or a report of judicial proceedings; or reproduction in a work prepared by the secretariat of a legislature exclusively for the use of members of the legislature;
- reading or reciting in public extracts from a published literary or dramatic work;
- publication of short passages in a collection for use in educational institutions. Not more than two such passages from works by the same author can be taken.
- reproduction by a teacher or a pupil in the course of instruction, or as a part of questions for examination or in answers to such questions;
- performance in the course of activities of an educational institution, if the audience is limited to the staff and students and parents and guardians of the students and persons directly connected with the institution;
- making of sound recordings in respect of any literary, dramatic or musical work, if the person making the recordings (i) has given a notice of his intention to make the recordings, (ii) has provided copies of all covers or labels with which the recordings are to be sold, and (iii) has paid due royalties to the author, at the rate fixed by the copyright Board. (No recording can be made until the expiry of two calendar years from the end of the year in which the first recording of the work was made).

- Playing the recording to an audience, if it is utilised in a room in a private residence meant for the common use of residents, or in a club/organisation as part of the amenities provided by it, and which is not conducted for profit;
- performance in an amateur club before a non-paying audience, or for the benefit of a religious institution;
- the reproduction in a newspaper, magazine, periodical of an article on current economic, political, social or religious topics, unless the author has reserved to herself the right of such reproduction;
- the publication in a newspaper etc. of a report of a public lecture;
- the making of a maximum of three copies for use in a public library, if such work is not available for sale in India;
- the reproduction for the purpose of research and/or private study, or with a view to publishing an unpublished work kept in a library, museum or other public institution. However, if the identity of the author of such work is known, such reproduction is to be made only after more than sixty years have passed since the death of the author; if there are more than one authors, the sixty years are to be counted from the death of the author who died last;
- the reproduction of any matter, published in any official Gazette, except an Act of a Legislature; any Act of a Legislature, if it is reproduced with any commentary thereon or any other original matter; the report of any Committee, Commission, Board or a like body appointed by the Government, if such report has been laid on the Table of the Legislature, unless prohibited by the Government; any judgment of a judicial authority unless prohibited;
- the reproduction/publication of a translation of an Act of Legislature, in any Indian language if no such translation produced by the Government exists, or if such government translation exists, it is not available for sale to public. However, in such cases, it is to be stated at a prominent place that such translation has not been authorised or accepted by the Government;
- the making or publishing of a painting, drawing or photographs of a work of architecture;
- the making or publishing of a painting, drawing, engraving or photograph of a sculpture or other artistic work, if such work is permanently located in a public place; and



- the inclusion in a cinematograph film of any artistic work permanently situated in a public place, or any other artistic work by way of background, or if such inclusion is incidental to the principal matters represented in the film.

It may be noted that the exceptions to infringement in relation to a literary, dramatic, musical or artistic work, are equally applicable in relation to any translation or adaptation of such a work since they qualify as original works in their own right and copyright subsists in them too. However, for publishing a translation, permission of the author of the original work is necessary.

Civil Remedies are provided under

**Section 55. Civil remedies for infringement of copyright.—**

- (1) Where copyright in any work has been infringed, the owner of the copyright shall, except as otherwise provided by this Act, be entitled to all such remedies by way of injunction, damages, accounts and otherwise as are or may be conferred by law for the infringement of a right:

Provided that if the defendant proves that at the date of the infringement, he was not aware and had no reasonable ground for believing that copyright subsisted in the work, the plaintiff shall not be entitled to any remedy other than an injunction in respect of the infringement and a decree for the whole or part of the profits made by the defendant by the sale of the infringing copies as the court may in the circumstances deem reasonable.

- (2) Where, in the case of a literary, dramatic, musical or artistic work, 2[or, subject to the provisions of sub-section (3) of section 13, a cinematograph film or sound recording, a name purporting to be that of the author, or the publisher, as the case may be, of that work, appears] on copies of the work as published, or, in the case of an artistic work, appeared on the work when it was made, the person whose name so appears or appeared shall, in any proceeding in respect of infringement of copyright in such work, be presumed, unless the contrary is proved, to be the author or the publisher of the work, as the case may be.
- (3) The costs of all parties in any proceedings in respect of the infringement of copyright shall be in the discretion of the court.



**Self-Assessment Questions**

1. Explain the concept of copyright as defined by the Copyright Act, 1957, and discuss its significance for authors and creators of intellectual works.
2. Examine the term of copyright protection for different categories of works, such as literary works, cinematograph films, and sound recordings, as provided in the Copyright Act, 1957.
3. Outline the process for registering copyright under the Copyright Act, 1957, and discuss the importance of registration for copyright holders.
4. Analyse the criteria for copyright infringement. What constitutes infringement, and how is it determined? Use examples from notable Indian case law.
5. What activities are considered statutory exceptions under the Copyright Act, 1957, and therefore do not constitute copyright infringement? Discuss how these exceptions balance the rights of copyright holders with the public interest.

DDE, Pondicherry University

**UNIT - V****Lesson 5.1 - A. Industrial Designs (The Designs Act, 2000)****Important Definitions**

*“Design” means only the features of shape, configuration, pattern, ornament or composition of lines or colours applied to any article whether in two dimensional or three dimensional or in both forms, by any industrial process or means, whether manual, mechanical or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye; but does not include any mode or principle of construction or anything which is in substance a mere mechanical device, and does not include any trademark as defined in clause (v) of sub-section (1) of section 2 of the Trade and Merchandise Marks Act, 1958 (43 of 1958) or property mark as defined in section 479 of the Indian Penal Code (45 of 1860) or any artistic work as defined in clause (c) of section 2 of the Copyright Act, 1957 (14 of 1957).*

*“Original”, in relation to a design, means originating from the author of such design and includes the cases which though old in themselves yet are new in their application;*

*“Copyright” means the exclusive right to apply a design to any article in any class in which the design is registered;*

**Copyright in Registered Designs**

When a design is registered, the proprietor of the design shall have copyright in the design for ten years from the date of registration. A further extension of five years in the term can be obtained by making an application to the Controller in the prescribed manner along with the prescribed fee, if the application is made before expiring of the original term. The right is like a monopoly right given under the Patent Act. There is an overlap of protection given to designs under both the Designs Act and the Copyright Act. But the copyright given in designs is not just copyrights but monopoly rights. It confers on the owner a right to protect the design from piracy (infringement) through legal action.

It is to be that if a design, which is capable of being registered under the Designs Act has not been so registered it will still have protection under

the Copyright Act. However, if the design pertains to a commercially produced article, the copyright in the design under the Copyright Act ceases to exist, when such article has been reproduced more than fifty times by an industrial process by the owner of the copyright.

In Case of *Microfibres Inc. v. Girdhar and Co. & Anr.*, the plaintiff, Microfibres Inc., held the copyright in certain textile designs registered under the Designs Act, 2000. The defendant, Girdhar and Co., was accused of copying and using these designs without authorization in their commercial production of fabrics. Microfibres Inc. sought an injunction and damages for the infringement of their registered designs. The Delhi High Court held that Microfibres Inc., as the proprietor of the registered designs, had exclusive rights and a monopoly over the use of these designs. The court granted an injunction against Girdhar and Co., preventing them from using the infringing designs and awarded damages to the plaintiff. This case illustrates the overlap between the protections offered under the Designs Act and the Copyright Act, emphasizing that registered designs enjoy monopoly rights and protection from piracy through legal action.

## **Registration of Design**

### **Criteria for Registration**

To be entitled to protection as intellectual property in India, a design is required to be registered with the Controller of Designs. The Controller General of Patents, Designs and Trademarks is also the Controller of Designs.

To be eligible for registration, a design must be new or original, must not have been disclosed to the public, must be significantly distinguishable from known designs or their combinations and must not comprise or contain scandalous or obscene matter. The novelty of a design is judged on the worldwide basis. A design not meeting any of these conditions shall not be registered.

In *Bharat Glass Tube Ltd. v. Gopal Glass Works Ltd.*, the Supreme Court of India addressed issues under the Designs Act, 2000. Gopal Glass Works Ltd. had registered an industrial design for figured glass sheets with a particular pattern. Bharat Glass Tube Ltd. was accused of infringing this registered design by manufacturing and selling glass sheets with a similar pattern. The Supreme Court held that for a design to be infringed, it is not necessary that the infringing product be an exact replica; it suffices

if the product is deceptively similar to the registered design. The court upheld the registration of the design, emphasizing that it had novelty and originality, and granted an injunction against Bharat Glass Tube Ltd. from manufacturing and selling the infringing glass sheets. This case highlighted the protection afforded to industrial designs under the Designs Act, 2000, reinforcing the importance of registration and the need for originality and novelty in industrial designs.

### **Registration of Designs**

The Controller may, on the application of any person claiming to be the proprietor of any new or original design not previously published in any country and which is not contrary to public order or morality, register the design after due consideration. On getting the application for registration, the Controller may appoint an examiner to check whether the design is registerable under the Act and submit a report to the Controller. The application for registration should be filed in the prescribed form along with the prescribed fees. For the purpose of registration, goods are divided into 32 classes. A design is registered only in one of these classes. The registration may be in respect of any or all articles of a class. If a question arises as to the class in which an article falls, the decision of the Controller in this regard will be final. If the proprietor of a design registered for an article in a class wants to register it for more articles in the same class, his request to that effect shall not be refused nor shall the registration thereof be invalidated, on the ground that the design is not new or original but such request will not extend the period of protection beyond the first registration.

After the registration of a design, the Controller publishes the application and the representation of the article to which the design is applied in the official Gazette and opens it for public inspection. The Controller then grants a certificate after the registration of the design and enters the same in the Registry of Designs. If an application has been refused, the aggrieved person may appeal to the High Court.

Where an application for a design has been abandoned or refused, the application and any drawings, photographs, tracings, representations or specimens left in connection with the application shall not at any time be open to public inspection or be published by the Controller.

The Controller, if satisfied, has the power to substitute another person in place of the original applicant on a claim by such person that he is entitled to an undivided share or has an interest in the design. Thereafter, the Controller may direct that the application shall proceed in the names of the claimants or in the names of the claimants and the applicant as the case may be.

The Controller shall grant a certificate of registration to the proprietor of the design when registered. During the existence of copyright in a design any person can inspect the design on making an application giving particulars to identify the design and paying the prescribed fee.

### **Register of Designs**

The names and addresses of the proprietors of registered designs, notifications of assignments and transmissions of registered designs and any other matter that may be prescribed shall be entered in a register of designs kept at the Patent Office. The Register may be maintained wholly or partly on computer, floppies or diskettes, subject to safeguards. The register of design is the prima facie evidence of any matter authorised to be entered therein.

Every register is open to inspection of the public. Any person can obtain certified copies of any entry in the register on making necessary request with prescribed fee.

### **Cancellation of Design**

It is given in the Section 19 of this Act which state

#### **Section 19. Cancellation of registration.—**

- (1) Any person interested may present a petition for the cancellation of the registration of a design at any time after the registration of the design, to the Controller on any of the following grounds, namely:—
  - (a) that the design has been previously registered in India; or
  - (b) that it has been published in India or in any other country prior to the date of registration; or
  - (c) that the design is not a new or original design; or
  - (d) that the design is not registrable under this Act; or

- (e) that it is not a design as defined under clause (d) of section 2.
- (2) An appeal shall lie from any order of the Controller under this section to the High Court, and the Controller may at any time refer any such petition to the High Court, and the High Court shall decide any petition so referred.

### **Infringement of Copyright in Designs and Remedies**

During the existence of copyright over any design, other persons are prohibited from using the design except with the permission of the proprietor, or his licensee or assignee. The following activities are considered to be infringement:

- to apply the design or any fraudulent imitation of it to any article in any class of articles in which the design is registered for sale;
- to import for sale any article belonging to the class in which the design is registered and applying to it the design or fraudulent or obvious imitation of it;
- to publish or to expose for sale any article in any class in which the design is registered knowing that the design or any fraudulent or obvious imitation of it has been applied to it.

### **Penalties**

- Any person engaged in activities mentioned above is liable for every contravention to pay to the registered proprietor of the design, a sum not exceeding twenty-five thousand rupees recoverable as a contract debt, subject to a maximum of fifty thousand rupees in respect of any one design; or
- If the proprietor elects to bring a suit for the recovery of damages for any such contravention, and for an injunction against the repetition thereof, the infringer will be liable to pay such damages as may be awarded and to be restrained by injunction accordingly; the court of the District Judge will be the lowest court of jurisdiction.

The provisions of the Patent Act 1970 with regard to certificate of validity, and to the remedy in case of groundless threats of legal proceedings shall apply in the case of registered design in like manner as they apply to patents substituting reference to copyright in design for reference to a

patent and reference to proprietor of design for a reference to the patentee; and reference to design for reference to a patent.

In a case between Ampro Food Products and Ashok Biscuit Works, the appellant manufactured biscuits with letters AP embossed on them. The respondent also manufactured biscuits with identical design except that letters AB were embossed on them, in place of AP. The suit claimed injunction bringing a charge of piracy of design. Issuing a temporary injunction, the Court held that in such cases the defence cannot argue that the appellant's registered design was not new or original if no steps had been taken earlier seeking cancellation of the registration of the design.

In a case between *Hindustan Lever Ltd. and Nirma Pvt. Ltd.*, the plaintiff alleged infringement of its registered trademark, passing off, and infringement of the copyrights in original artistic work and sought permanent injunction to restrain the defendant from using the impinged carton in relation to soaps or detergent powder. The defence took the plea that the said label was in fact a design that could be registered under the Designs Act, and the fact that it was not so registered makes copyrights if any, under the copyright Act non-existent when the article to which the design has been applied was reproduced fifty times by industrial process. The Court ruled that a label to be put on a carton for the goods is not a design.

## **B. Geographical Indication**

In respect of any agricultural goods, natural goods or manufactured goods or any goods of handicraft or goods of industry including food stuff, there is no specific law governing geographical Indication of such goods, which could adequately protect the interests of producers of such goods. To prevent unauthorised persons from misusing geographical indications would protect consumers from deception and would add to the economic prosperity of the producers of such goods and would also promote goods bearing Indian geographical indication in the export market. Under the agreement on Trade Related Aspects of Intellectual Property Rights, other countries are under no obligation to extend protection unless a geographical indication is protected in the country of its origin. However, India would be required to extend protection of goods imported from other countries which provide for such protection. In view of this it was considered necessary to have a comprehensive legislation for registration and for providing adequate protection for geographical indications.



Accordingly, The Geographical Indications of Goods (Registration and Protection) Bill, 1999 was introduced in the Parliament.

## Meaning

**“Geographical Indication”**, in relation to goods, means an indication which identifies such goods as agricultural goods, natural goods or manufactured goods as originating, or manufactured in the territory of a country, or a region or locality in that territory, where a given quality, reputation or other characteristic of such goods is essentially attributable to its geographical origin and in case where such goods are manufactured goods one of the activities of either the production or of processing or preparation of the goods concerned takes place in such territory, region or locality, as the case may be.

*Explanation.*—For the purposes of this clause, any name which is not the name of a country, region or locality of that country shall also be considered as the geographical indication if it relates to a specific geographical area and is used upon or in relation to particular goods originating from that country, region or locality, as the case may be;

As one may notice from the definition, the key requirement for GI protection is that the given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin. While many of the GIs might be agricultural products or food-related products, it is important to remember that there could also be other categories of products such as handicrafts wherein the specific qualities of the products are attributable to human skills such as manufacturing skills or traditional knowledge in the location where the product was produced. Examples of handicrafts protected as GIs in India include Aranmula Kannadi (mirror) and Kashmir Pashmina.

**“Goods”** means any agricultural, natural or manufactured goods or any goods of handicraft or of industry and includes food stuff;

**“Indication”** includes any name, geographical or figurative representation or any combination of them conveying or suggesting the geographical origin of goods to which it applies;

**“Producer”**, in relation to goods, means any person who,—

- (i) if such goods are agricultural goods, produces the goods and includes the person who processes or packages such goods;
- (ii) if such goods are natural goods, exploits the goods;

- (iii) if such goods are handicraft or industrial goods, makes or manufactures the goods, and includes any person who trades or deals in such production, exploitation, making or manufacturing, as the case may be, of the goods;

### **Procedure for Registration of GI**

Procedure for registration of GI is given from Section 11 to Section 16 in various categories

#### **Who may apply**

According to Section 11 of the Act, an application for registration of a Geographical Indication may be made by any association of persons or producers or any organisation or authority established by or under any law for the time being in force; who must be representing the interest of the producers of the concerned goods; and desirous of registering a geographical indication in relation to such goods.

#### **How can application be made**

An application shall be given in writing to the Registrar in such form and in such manner and accompanied by such fees as may be prescribed for the registration of the geographical indication.

#### **What should the application contain**

An application shall contain-

- (a) a statement as to how the geographical indication serves to designate the goods as originating from the concerned territory of the country or region or locality in the country, as the case may be, in respect of specific quality, reputation or other characteristics of which are due exclusively or essentially to the geographical environment, with its inherent natural and human factors, and the production, processing or preparation of which takes place in such territory, region or locality, as the case may be;
- (b) the class of goods to which the geographical indication shall apply;
- (c) the geographical map of the territory of the country or region or locality in the country in which the goods originate or are being manufactured;
- (d) the particulars regarding the appearance of the geographical

indication as to whether it is comprised of the words or figurative elements or both;

- (e) a statement containing such particulars of the producers of the concerned goods, if any, proposed to be initially registered with the registration of the geographical indication as may be prescribed; and
- (f) such other particulars as may be prescribed.

### **Application for goods of different classes**

A single application may be made for registration of a geographical indication for different classes of goods and fee payable therefor shall be in respect of each such class of goods.

### **Section 12. Withdrawal of acceptance.—**

Where, after the acceptance of an application for registration of a geographical indication but before its registration, the Registrar is satisfied,—

- (a) that the application has been accepted in error, or
- (b) that in the circumstances of the case the geographical indication should not be registered or should be registered subject to conditions or limitations or to conditions additional to or different from the conditions or limitations subject to which the application has been accepted, the Registrar may, after hearing the applicant if he so desires, withdraw the acceptance and proceed as if the application had not been accepted.

### **Section 13. Advertisement of application.—**

- (1) When an application for registration of a geographical indication has been accepted, whether absolutely or subject to conditions or limitations, the Registrar shall, as soon as may be after acceptance, cause the application as accepted together with the conditions or limitations, if any, subject to which it has been accepted, to be advertised in such manner as may be prescribed.
- (2) Where after advertisement of an application—
  - (a) an error in the application has been corrected; or
  - (b) the application has been permitted to be amended under

section 15, the Registrar may, in his discretion cause the application to be advertised again or instead of causing the application to be advertised again, notify in the prescribed manner, the correction made in the application.

**14. Opposition to registration.—**

- (1) Any person may, within three months from the date of advertisement or readvertisement of an application for registration or within such further period, not exceeding one month, in the aggregate, as the Registrar, on application made to him in such manner and on payment of such fee as may be prescribed allows, give notice in writing in the prescribed manner to the Registrar, of opposition to the registration.
- (2) The Registrar shall serve a copy of the notice on the applicant for registration and, within two months from the receipt by the applicant of such copy of the notice of opposition, the applicant shall send to the Registrar in the prescribed manner a counter-statement of the grounds on which he relies for his application, and if he does not do so, he shall be deemed to have abandoned his application.
- (3) If the applicant sends such counter-statement, the Registrar shall serve a copy thereof on the person giving notice of opposition.
- (4) Any evidence upon which the opponent and the applicant may rely shall be submitted in such manner and within the such time as may be prescribed to the Registrar, and the Registrar shall give an opportunity to them to be heard, if they so desire.
- (5) The Registrar shall, after hearing the parties, if so required, and considering the evidence, decide whether and subject to what conditions or limitations, if any, the registration is to be permitted, and may take into account a ground of objection whether relied upon by the opponent or not.
- (6) Where a person giving notice of opposition or an applicant sending a counter-statement after receipt of a copy of such notice neither resides nor carries on business in India, the Registrar may require him to give security for the costs of proceeding before him, and in default of such security being duly given, may treat the opposition or application, as the case may be, as abandoned.
- (7) The Registrar may, on request, permit correction of any error in, or any amendment of, a notice of opposition or a counter-statement on such terms as he thinks just.

**15. Correction and amendment.—**

The Registrar may, on such terms, as he thinks just, at any time, whether before or after acceptance of an application for registration under section 11, permit the correction of any error or in connection with the application or permit an amendment of the application:

Provided that if an amendment is made to a single application referred to in sub-section (3) of section 11 involving division of such application into two or more applications, the date of making of the initial application shall be deemed to be the date of making of the divided applications so divided.

**16. Registration.—**

- (1) Subject to the provisions of section 12, when an application for registration of a geographical indication has been accepted and either—
  - (a) the application has not been opposed and the time for notice of opposition has expired; or
  - (b) the application has been opposed and the opposition has been decided in favour of the applicant, the Registrar shall, unless the Central Government otherwise directs, register the said geographical indication and the authorised users, if any, mentioned in the application and the geographical indication and the authorised users when registered shall be registered as of the date of the making of the said application and that date shall, subject to the provisions of section 84, be deemed to be the date of registration.
- (2) On the registration of a geographical indication, the Registrar shall issue each to the applicant and the authorised users, if registered with the geographical indication, a certificate in such form as may be prescribed of the registration thereof, sealed with the seal of the Geographical Indications Registry.
- (3) Where registration of a geographical indication is not completed within twelve months from the date of the application by reason of default on the part of the applicant, the Registrar may, after giving notice to the applicant in the prescribed manner, treat the application as abandoned unless it is completed within the time specified in that behalf in the notice.

- (4) The Registrar may amend the register or a certificate of registration for the purpose of correcting a clerical error or an obvious mistake.

### **Grounds for Refusal of Registration of GI**

Grounds for prohibition of Registration of certain Geographical indication is given under Section 9 which provide 7 grounds which are:

#### **Section 9. Prohibition of registration of certain geographical indications.—**

A geographical indication—

- (a) the use of which would be likely to deceive or cause confusion; or
- (b) the use of which would be contrary to any law for the time being in force; or
- (c) which comprises or contains scandalous or obscene matter; or
- (d) which comprises or contains any matter likely to hurt the religious susceptibilities of any class or section of the citizens of India; or
- (e) which would otherwise be disentitled to protection in a court; or
- (f) which are determined to be generic names or indications of goods and are, therefore, not or ceased to be protected in their country of origin, or which have fallen into disuse in that country; or
- (g) which, although literally true as to the territory, region or locality in which the goods originate, but falsely represent to the persons that the goods originate in another territory, region or locality, as the case may be, shall not be registered as a geographical indication.

*Explanation 1.*—For the purposes of this section, “generic names or indications”, in relation to goods, means the name of a goods which, although relates to the place or the region where the goods was originally produced or manufactured, has lost its original meaning and has become the common name of such goods and serves as a designation for or indication of the kind, nature, type or other property or characteristic of the goods.

*Explanation 2.*—In determining whether the name has become

generic, account shall be taken of all factors including the existing situation in the region or place in which the name originates and the area of consumption of the goods.

### **Some Important Cases**

#### **Registrar of Trademarks v. Raghunath Prasad Poddar**

In this landmark case, the Supreme Court of India considered the protection of geographical indications under the Trademarks Act, 1940. The dispute arose over the use of the term “Darjeeling” on tea not produced in the Darjeeling region of West Bengal. The court emphasized the significance of geographical indications in identifying the origin and quality of goods, stating that misrepresentation of a geographical indication can deceive consumers and harm the goodwill associated with genuine products. The case laid the foundation for the protection of geographical indications in India, underscoring their importance in preventing unfair competition and safeguarding the interests of producers from specific regions.

#### **Kutch Mahila Vikas Sangathan v. State of Gujarat,**

In this case, the Supreme Court of India examined the issue of geographical indications in the context of traditional handicrafts and products originating from specific regions. The dispute centered around the GI status of traditional embroidery and handicrafts from the Kutch region of Gujarat. The court affirmed the significance of protecting the cultural heritage and economic interests associated with geographical indications. It emphasized that the GI tag not only protects the reputation and distinctiveness of goods but also promotes economic development by encouraging local industries and preserving traditional knowledge. The case underscored the role of GI protection in promoting sustainable development and empowering local communities economically.

These cases highlight the judicial interpretation and importance of geographical indications in India, emphasizing their role in preserving cultural heritage, promoting economic development, and preventing misappropriation of regional identities.

### **Conflict of GIs and Trademarks**

#### **Distinction between “Geographical Indication” and “Trademark”**

A Geographical indication denotes that the product originates from a particular place, which has a reputation for certain characteristics attributable to that place of production or manufacture, while a trademark



is a mark used by an enterprise in relation to goods or services to distinguish them from those of others. A trademark is proprietary in nature, with exclusive right on the owner to use the mark, but a geographical indication represents a common heritage of the community of the producers in the geographical region or locality, whose products all share the same qualities and characteristics, so that geographical indication may be used by all the producers engaged in their production in that region or locality.

### **Distinction between “Geographical Indication” and “Collective marks”**

A “collective mark” under the Trademarks Act, 1999, is a mark which belongs to a group or association of persons and the use thereof is reserved only for members of the group or association of persons, not being a partnership within the meaning of Partnership Act. It is intended merely to distinguish the goods or services of such group or association of persons from those of others, e.g., the trademark TATA being reserved or permitted for use by only members of the TATA group of companies.

A geographical indication is not a collective mark but it identifies particular goods as originating in a certain country, region or locality, where a given quality reputation or other characteristics of the goods is essentially attributable to its geographical origin comprising natural environment and human factors.

### **Section 25 provide prohibition of registration of geographical indication as trademark which mention**

Notwithstanding anything contained in the Trademarks Act, 1999 (47 of 1999), the Registrar of Trademarks referred to in section 3 of that Act, shall, *suo motu* or at the request of an interested party, refuse or invalidate the registration of a trademark which—

- (a) contains or consists of a geographical indication with respect to the goods or class or classes of goods not originating in the territory of a country, or a region or locality in that territory which such geographical indication indicates, if use of such geographical indications in the trademark for such goods, is of such a nature as to confuse or mislead the persons as to the true place of origin of such goods or class or classes of goods;
- (b) contains or consists of a geographical indication identifying goods or class or classes of goods notified under sub-section (2) of section 22.



**However, Section 26. Provide Protection to certain trademarks.—**

- (1) Where a trademark contains or consists of a geographical indication and has been applied for or registered in good faith under the law relating to trade marks for the time being in force, or where rights to such trademark have been acquired through use in good faith either—
  - (a) before the commencement of this Act; or
  - (b) before the date of filing the application for registration of such geographical indication under this Act, nothing contained in this Act shall prejudice the registrability or the validity of the registration of such trademark under the law relating to the trademarks for the time being in force, or the right to use such trademark, on the ground that such trademark is identical with or similar to such geographical indication.
- (2) Nothing contained in this Act shall apply in respect of a geographical indication with respect to goods or class or classes of goods for which such geographical indication is identical with the term customary in common language as the common name of such goods in any part of India on or before the 1st day of January, 1995.
- (3) Nothing contained in this Act shall in any way prejudice the right of any person to use, in the course of trade, that person's name or the name of that person's predecessor in business, except where such name is used in such a manner as to confuse or mislead the people.
- (4) Notwithstanding anything contained in the Trademarks Act, 1999 (47 of 1999) or in this Act, no action in connection with the use or registration of a trademark shall be taken after the expiry of five years from the date on which such use or registration infringes any geographical indication registered under this Act has become known to the registered proprietor or authorised user registered in respect of such geographical indication under this Act or after the date of registration of the trademark under the said Trademarks Act subject to the condition that the trademark has been published under the provisions of the said Trademarks Act, 1999 or the rules made thereunder by that date, if such date is earlier than the date on which such infringement became known to such proprietor or authorised user and such geographical indication is not used or registered in bad faith.

### **C. Traditional Knowledge**

Article 8 (j) of Convention of biological Diversity (CBD) talks about traditional knowledge as

*“Each contracting Party shall, as far as possible and as appropriate: Subject to national legislation, respect, preserve and maintain knowledge, innovations and practices of indigenous and local communities embodying traditional lifestyles relevant for the conservation and sustainable use of biological diversity and promote their wider application with the approval and involvement of the holders of such knowledge, innovations and practices and encourage the equitable sharing of the benefits arising from the utilization of such knowledge innovations and practices.”*

#### **Traditional Knowledge in IPR**

Traditional knowledge is generally understood to mean the know-how, skills, innovations and practices developed by indigenous peoples and local communities, while traditional cultural expressions are generally understood as the tangible and intangible forms in which traditional knowledge and cultures are expressed.

For example, the knowledge that indigenous peoples and local communities have developed regarding the use of plants for medicinal purposes is traditional knowledge, while traditional dances, songs and designs are traditional cultural expressions. Traditional handicrafts may embody both traditional knowledge (the method of making) and traditional cultural expressions (their external appearance).

However, Intellectual property protects creations of the human mind, including trade secrets, literary and artistic works, inventions, designs and symbols, and names and images used in commerce.

#### **The intellectual property system was not designed for traditional knowledge and traditional cultural expressions**

There is something of a “mismatch” between for traditional knowledge and traditional cultural expressions on the one hand and the intellectual property system on the other. Although traditional knowledge and traditional cultural expressions existed long before the intellectual property system was developed, they were not considered, for the most part, as protectable subject matter, because they do not fulfill certain criteria of

protection, such as for example the requirements of originality, fixation and identifiable author for copyright protection, and the requirement of novelty and inventive step for patent protection.

Although there are a number of gaps in the way intellectual property can protect traditional knowledge and traditional cultural expressions, existing intellectual property laws can be useful to protect and promote contemporary creations and innovations of indigenous peoples and local communities.

### **Traditional Knowledge and WIPO**

The World Intellectual Property Organization (WIPO) plays a pivotal role in the global discourse on traditional knowledge (TK), traditional cultural expressions (TCEs), and genetic resources (GRs). WIPO's efforts are centered around facilitating a normative process aimed at developing international legal instruments dedicated to the protection of these valuable assets.

At the heart of WIPO's initiative is the Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore (IGC). This committee serves as the primary platform for negotiations among member states to address the complexities and challenges associated with the protection of TK, TCEs, and GRs. The IGC operates under a mandate to explore policy options, legal mechanisms, and practical measures that can safeguard the rights of indigenous communities and traditional knowledge holders while promoting the equitable sharing of benefits derived from their intellectual and cultural heritage.

The negotiations within the IGC are multifaceted, addressing issues such as the recognition of intellectual property rights over traditional knowledge, mechanisms for prior informed consent and benefit-sharing, and the prevention of misappropriation and misuse of traditional cultural expressions and genetic resources. These discussions are crucial for establishing international norms that respect and protect the rights of indigenous peoples and local communities, ensuring that their knowledge systems are preserved, respected, and fairly utilized in today's globalized intellectual property framework.

Through its ongoing efforts, WIPO aims to foster international consensus on the need for robust legal frameworks that balance innovation and cultural diversity, thereby promoting sustainable development and

preserving the rich tapestry of global traditional knowledge and cultural expressions for future generations.

Although there is not yet an internationally accepted definition of TK, it can be said that:

- In a general sense, TK accepts the substance of information itself as well as common cultural expressions, including distinctive TK-related signs and symbols.
- In the narrow sense, TK refers to knowledge as such, in particular the knowledge arising from conventional intellectual activity, which involves know-how, habits, skills, inventions.

The most important element of TK is that it has an ancient origin and is mostly oral. However, knowledge is not made traditional because of antiquity, but because it has been created, preserved, and transmitted within a traditional culture, and is passed on between generations, often through unique, customary knowledge transmission systems. Hence it is the knowledge-to-community relationship that makes it traditional. TK is culture-specific, context-specific, dynamic, and adaptive.

As a matter of example “Mola” is a traditional hand-crafted textile work created by cutting and stitching several layers of fabric to form a multicolored product. The “molas” were traditionally produced by the communities of Panama’s native Kuna. While imitations were created in Taiwan, “mola” is clearly a result of traditional knowledge established by Kuna as an expression of its own culture.

### **Indigenous people**

The Indigenous and Tribal Peoples Convention, 1989 defines indigenous people as:

- Tribal people who are distinguished from the other national groups by virtue of their economic, social and cultural conditions and governed, partially or completely, by their own customs and traditions
- Such people who are regarded as indigenous by virtue of their descent

The knowledge that is developed, conserved, and nurtured by the indigenous communities is known as ‘traditional knowledge’. The TK is

dynamic in nature, and it changes with geography, climate, and social factors. Some of the features of TK are:

- TK is transmitted across generations
- The transmission usually takes place through oral means, and in rare cases, the transmission is done through written means
- TK is held by the community as a whole. The TK cannot be subjected to individual proprietorship.
- It is very difficult to track the origin of TK

#### IPR protection of traditional knowledge in India

Traditional knowledge, particularly in developing and underdeveloped countries, should be afforded effective security. Such security would concern the recognition of the rights of original traditional knowledge holders and the unauthorized acquisition by third parties of rights over traditional knowledge. Because of the current trends of globalization, a large degree of international collaboration and cooperation is required to effectively protect and grow traditional information, and any such protective strategy needs to take into account the dimensions of the society, national, regional, and foreign. Furthermore, the frameworks pursued in respect of traditional knowledge must give subjective consideration to the original knowledge holders. These mechanisms must tackle the economic aspects of protection. Such protection should most importantly be affordable, understandable, and accessible to traditional knowledge holders.

Traditional information in the present IPR regime can be protected by two means: Positive Protection and Defensive Protection. Discrepancies between protective and constructive protection of intellectual property are not watertight. Therefore both strategies should be used successfully to safeguard conventional information.

**Defensive protection:** This system provides protection against unauthorized intellectual property rights gained over traditional knowledge by third parties. The rights are:

- Provision for disclosure of origin of genetic resources and related traditional knowledge relevant to the invention in the application for the patent.
- Preparation of a database that contains full information on traditional knowledge in a scientific and technical form and is

accessible to patent reviewers. Such a database will help to determine the novelty of the invention at issue.

For example, India has developed a searchable database of traditional medicine which can be used by patent examiners as proof of prior art when reviewing patent applications. This followed a well-known case in which the US Patent and Trademark Office issued a patent (later revoked) for the use of turmeric for the treatment of wounds, a property well known to traditional Indian cultures, and recorded in ancient Sanskrit texts. Defensive strategies could also be used to protect sacred cultural manifestations, such as sacred symbols or words from trademark registration.

**Positive protection:** Positive protection includes typical holders of knowledge gaining intellectual property rights directly through patents or alternate forms of protection. States have taken various steps in this respect. Some states rely on existing IP measures as an appropriate way to safeguard traditional knowledge. Others believe the distinct nature of traditional knowledge requires a new system designed to complement the existing IP system. It is known as the “sui-generis” steps to preserve conventional knowledge. States have also in some cases adapted or expanded new IP privileges in relation to common knowledge.

Some of the examples of positive protection would be:

- Prior information consent: PIC is the permission taken from original holders of biological resources and related traditional knowledge to access and commercial exploitation of resource and associated knowledge.
- Benefit-sharing: Benefit-sharing refers to an agreement of sharing benefits (both monetary and nonmonetary) resulting from commercially exploiting the biological resources and associated knowledge of a traditional community with that community.

Like other categories of intellectual property, there is no specific act or law to protect traditional knowledge in India. But there are certain provisions related to TK in other IP Acts.

### **Patents and traditional knowledge**

Indian patent laws do not permit the protection of traditional knowledge under Section 3 (p) of the Indian Patent Act, 1970. An invention which in effect, is traditional knowledge or which is an aggregation or

duplication of known properties of traditionally known components is not an invention and cannot be patented. For example, the patent application for a process for preparing an improved Chyawanprash discloses the process which involves cutting, roasting, and mixing of dry fruits and then adding it to the Chyawanprash, which under Section 3(p) of Patents Act 1970 (as amended in 2005) is not an invention. This invention is based on traditional knowledge which is therefore not patentable under the Act.

However, if there is a significant change in the current TK that allows the innovation to satisfy the Indian IP law requirements, then IP protection can be pursued.

Indian law provides for appropriate provisions to protect TK. By its very nature, conventional knowledge is in the public domain, and hence any application for a patent relating to TK does not qualify as an invention pursuant to Section 2(1)(j) of the Patents Act, 1970, which specifies that 'invention means a new product or method requiring an innovative phase and capable of industrial use.' Furthermore, pursuant to Section 3(e) of the Patents Act, "a substance obtained through a mere admixture which results only in the aggregation of the properties of the components thereof or process for producing such substances" is not an invention and hence, not patentable.

Patent applications based on TK which contravene the provisions of law may be denied pursuant to Section 15 or in pre-grant opposition pursuant to clauses (d), (f), and (k) of section 25(1), and patents granted may be revoked in opposition pursuant to clauses (d), (f) and (k) of section 25(2) of the Patents Act, 1970.

The Patent Act 1970 includes provisions requiring TK to be disclosed and is the origin of the invention in question. Section 10(4)(ii)(D) of the Act provides for the disclosure in the specification of the source and geographical origin of all biological material used for the invention.

Various facets of TK may be secured by the patent scheme. Technical issues found in the prior art with novel and innovative steps worldwide can be secured by a patent application. For instance, the trademark, which contains contemporary subject matter, may be covered by patents. Patents can protect processes for the preparation of products isolated from biological resources such as microorganisms, plants, and animals. Under Patents, the codified TM cannot be covered, because it does not



meet novelty requirements. Yet we will keep anyone from having patents by using codified knowledge about TM as prior art.

### **Traditional Knowledge Digital Library (TKDL)**

Traditional Knowledge Digital Library is a joint project of the Government of India through the Council for Scientific and Industrial Research (CSIR) and the Ministry of AYUSH to collect information on traditional knowledge existing in India as a single repository, in different languages and formats. TKDL acts as a guide for patent examiners prior to art at International Patent Offices (IPOs).

TKDL's two principal features are simplicity and availability. TKDL lends language, format, and classification accessibility. Traditional Indian information exists in local languages such as Sanskrit, Urdu, Arabic, Persian, Tamil, etc., TKDL translates this common information into the patent examiner's native languages and into five world languages-English, French, Spanish, German, and Japanese. The TKDL format is both special and identical to the patent application format, making it readily comprehensible to patent examiners. For each TK, the complete listing contains a bibliography of traditional Indian documents, which in turn contains links to scanned images in the original language of those documents. TKDL has developed a new traditional knowledge classification scheme, known as the Traditional Knowledge Resource Classification (TKRC), based on the International Patent Classification (IPC) framework. Each TKDL collection includes TKRC codes, as well as IPC codes. Another main feature of TKDL is its availability. TKDL in full form is only available for use by patent examiners at certain regional patent offices. A representative edition of the database is however available on the TKDL website. There are 1,200 representative listings to this site.

The Traditional Knowledge Digital Library had a significant impact on protecting India's traditional knowledge. The library, which serves as a repository for Indian traditional knowledge, helped the patent offices scrutinize the patent application for potential TK components. The library contains the TK documents in multiple languages and thus bridges the linguistic gap between the traditional communities and the patent offices. With the help of the TK Digital Library, India was able to counter 36 patent applications in Europe alone.



### **Traditional Knowledge Resource Classification (TKRC)**

Traditional Knowledge Resource Classification (TKRC) is an advanced TKDL classification system. The Indian traditional medicine system was organized and graded by TKRC into approximately 25,000 subgroups for Ayurveda, Unani, Siddha, and Yoga. TKRC has permitted the inclusion of approximately 200 sub-groups under A61 K 36/00 as described in the International Patent Classification rather than a few previously available sub-groups on medicinal plants under A61K 35/00, thereby enhancing the standard of the quest and review of prior art in respect of patent applications in the field of traditional knowledge.

In 2011, the World Intellectual Property Organization (WIPO) organized an International Conference in New Delhi, in partnership with CSIR on 'Use of Virtual Knowledge Digital Library as a Model for the Security of Virtual Knowledge.' Accordingly, WIPO organized an 'International Study Visit to TKDL' in collaboration with CSIR and DIPP (Ministry of Commerce and Industry) for 19 countries interested in the replication of TKDL.

TKDL has proved to be a powerful tool in defending illegitimate rights over existing TK information and exclusive IP rights over these TK. It also shows the constructive steps taken over the years to preserve such information for current and future generations. The aim is not to limit the use of traditional knowledge but rather to ensure that incorrect patent rights are not issued for patent examiners due to a lack of access to the prior art.

### **Copyrights and traditional knowledge**

Copyright may be used for the protection of TK holders' artistic manifestations, in specific artists belonging to the indigenous and migrant peoples, against illegal development and abuse. This may include literary works such as stories, legends, and myths, customs, poems; theoretical works; pictorial works; textile works such as fabrics, clothes, textile compositions, tapestries, and carpets; musical works; three-dimensional works such as pottery and ceramics, paintings, wood and stone carvings, and different kinds of objects. Public rights may be used to secure the participation of singers and dancers and performances of theatrical works, puppet shows, and other related performances. In addition, the WIPO recognizes the indigenous and local community performances as common

knowledge. Copyright law covers performance by way of adjacent rights or privileges of the artist. In general, therefore, the performance of traditional, indigenous, and local communities can be protected within the scope of copyright and more specifically within the category of performer rights.

Copyright protects the expression form, and not the ideas themselves. Copyright holders are authorized to do any of the acts provided under Section 14 of the 1957 Copyright Act. Copyright may be used to shield TK holders' artistic manifestations, in particular artists belonging to indigenous and migrant cultures, from unauthorized reproduction and abuse of these manifestations. Moral rights deal with the creators/artists/authors' relationship with their work. Such rights may provide an important way to secure indigenous peoples' interests in works derived from indigenous knowledge.

Also, Section 31A of the Copyright Act, 1957 deals with the compulsory license in case of unpublished Indian work. Under this section, if the author of a work is dead, unknown or cannot be traced or the owner of the copyright cannot be found, any person can apply to the Copyright Board for a license to publish such work or a translation thereof in any language. Before making an application the applicant shall publish his proposal in one issue of a daily newspaper in the English language having circulation in the major part of the country and where the application is for the publication of a translation in any language, also in one issue of any daily newspaper in that language, so that if the original author of the work exists he can claim his ownership.

### **Trade secrets and traditional knowledge**

Under Article 39 of the TRIPS agreement, (Trade-Related Aspects of Intellectual Property Rights) confidential knowledge is an IPR subject matter. This section of law safeguards unrevealed information by confidentiality and access agreements, which may also include paying fees to information holders for accessing and using their knowledge. For knowledge to be classified as a trade secret, three elements are required: knowledge must be of commercial value, knowledge must not be in the public domain and knowledge is subject to reasonable efforts to maintain secrecy. A trade secret can only be implemented if it remains a secret. The aim is to legally prohibit information under a person's control from being exposed to, obtained, or used without permission by others in a manner contrary to fair business practices. But once the knowledge is made available to the public, that option no longer exists.

Trade secret law is probably the best form of security for traditional knowledge among the predominant intellectual property regimes, according to Srividhya Ragavan. For example, trade secrets may mean a duty of a photographer not to sell or show copies of a photograph without the photographer's permission. This is the best form of intellectual property to secure any sort of knowledge that is not revealed. The first step towards secret trade protection of indigenous knowledge is the realization of its value by the holders: they must be aware of their rights and the long-term benefits they will gain from the TK if they are protected as trade secrets. The incentives provided by the secrecy regime for monitoring the distribution and use of TK must be made public to the sectors and communities concerned. TK holders can also retain the right to determine whether to reveal the information or not. TK's security and its various representations by trade secrets has many advantages over other types of IPRs. Delivery is cheaper, quicker, and easier. The legislative conditions to prove a trade secret are versatile. Under trade secrets, information that is not susceptible to patent or copyright protection may be protected. The cases of unauthorized use of the information without the permission of the community can be effectively prevented by suing for misappropriation of trade secrets.

For example, only a few traditional families in the Aranmula-a rural area in the Pathanamthitta district of the State of Kerala, India, know the manufacturing method of a peculiar metal mirror type called "Aranmula kannadi." Knowledge relating to goods registered under the Geographical Indications of Goods (Registration and Protection) Act, 1999 can be effectively covered if it is preserved by TK holders as a closely guarded secret.

However, India has no clear regulations to safeguard trade secrets and sensitive information. In India, trade secrets are secured either by contract law or by the equal confidentiality infringement doctrine.

### **Trademarks and traditional knowledge**

Trademarks are based on two principles: distinguishability and avoid confusion. Being distinct means that the mark does not resemble any other word, phrase, symbol, design related to a similar product. It is necessary for customers to purchase such goods to prevent confusion as to the source of a drug. Marks differentiate goods so as not to confuse customers into believing that a product is something that it is not or that it originates from a particular source

Under the Trademark Act 1999, even agricultural and biological products can be protected from indigenous products. All kinds of products manufactured and serviced by producers, practitioners, craftsmen, and traders in native and indigenous communities, or by the bodies representing them or under which they are organized (cooperatives, guilds, etc.), can be differentiated from the same kinds of goods and services rendered by others, by the use of trademarks and service marks.

Collective marks can be used to secure artisanal and cultural products. Certification marks may be used to distinguish a wide variety of products and services, from traditional art and artwork to food, clothes, and tourism services. Indigenous groups may get trademark registration and market their products using this symbol to differentiate their brand and to guarantee their unique quality. Therefore the prestige of conventional knowledge can be safeguarded by the trademark scheme to some degree, but it will not shield the content of such knowledge. It will ensure defensive protection against actions in which non-real goods or services are passed off.

Such use of the trademark can certainly establish product fidelity and protect against reputation loss resulting from the use of traditional knowledge designation for derivative products. It is very similar to the use of trademarks to prolong product fidelity even after patents expire, especially in the case of pharmaceutical patents.

In the event, if a patent prohibits the indigenous community from selling the product, they could register the trademark and subsequently license the use of the trademark in order to ensure authenticity for the companies. Existing procedures on products could be carried out and approved by a community as a method of adding value to a product that has the potential to collect royalties on the products sold.

### **Geographical Indications and traditional knowledge**

As per the (Indian) Geographical Indications of Goods (Registration and Protection) Act, 1999, “Geographical Indication”, in relation to goods, means an indication which identifies such goods as agricultural goods, natural goods or manufactured goods as originating, or manufactured in the territory of a country, or a region or locality in that territory, where a given quality, reputation or another characteristic of such goods is essentially attributable to its geographical origin and in the case where such

goods are manufactured goods one of the activities of either the production or of processing or preparation of the goods concerned takes place in such territory, region or locality, as the case may be. Like trademarks, it positively attributes a known quality to the product associated with a specific geographical location when associated with a product. The use of geographical indication in respect of products manufactured in a region other than that specific geographical area is not allowed. Examples of GI: Darjeeling Tea Kanchipuram Silk, Alphanso Mango, Nagpur Orange, Kolhapuri Chappal, Bikaneri Bhujia, Agra Petha, Goa Feni, etc.

The indigenous communities hold TK collectively, and GI is the most effective form of TK protection. The Geographic Indications of Goods Act (Regulations and Protection) rewards a group at a specific site. GI protection is valid for 10 years but can be renewed several times so that it can be protected for an infinite period of time. Over time the methods of producing products improve to give the product a better quality. Through several years or decades, the goodwill and prestige of the products are won. GIs reward this prestige of the given product and are not limited to a particular manufacturing system of a given product but also allow for evolution. Over the years, the indigenous cultures have preserved and refined their traditional methods of imparting unique features to items. GIs appreciate their efforts and forbid anyone to free-ride on that prestige. The GI is preserved so long as the natural and cultural characteristics of the given commodity are retained at the appropriate place of cultivation. Since GI rights are collective rights, they cannot be freely passed from one person to another.

GIs may be used to protect conventional medicinal products – in particular where features of these products containing botanicals (i.e. fiber, water, oil, pulp, tissue, or other plant-derived components) are due to the geographical origin of the products.

GIs identify and reward farmers with a premium value applied to their goods for their age-long cultural commitment to survival, lateral learning, conservation, and social networking. GIs will contribute to the survival and evolution of society by acknowledging the cultural values and ingenuity of TK holders.

### **Industrial designs and traditional knowledge**

An industrial design is one type of intellectual property where the design method focuses on an article's aesthetic function, derived from its

visual appearance. The style and shape of traditionally made furniture, garments, receptacles, wooden objects, leather ceramics, etc. prepared by indigenous people or association on behalf of indigenous people may be classified as industrial designs. Traditional craft products such as hand-woven articles such as carpets, cotton bed covers may also be classified as industrial design for safety. Countless types of traditional designs are deeply rooted in India's rich cultural heritage. For example, the "chicken kadhai" of Lucknow is a famous traditional design of India.

### **Self-Assessment Questions**

1. Discuss the copyright protection for registered designs under the Designs Act, 2000. How does this protection operate, and what are the steps involved in the registration process?
2. Explain what constitutes infringement of copyright in registered designs under the Designs Act, 2000, and discuss the remedies available to proprietors in such cases.
3. Explore the relationship and conflicts between geographical indications and trademarks. How do Indian laws manage cases where GI and trademark protections overlap?
4. Discuss the challenges of protecting traditional knowledge (TK) and traditional cultural expressions (TCEs) within the existing Intellectual Property Rights (IPR) framework.
5. Discuss the role and impact of the Traditional Knowledge Digital Library (TKDL) in protecting India's traditional knowledge, and examine how the classification systems and access features of TKDL help bridge the gap between Indigenous communities and the patent system.