

**Legal Issues
In**
***IP in Textiles, Fabrics, Clothing; IP in Architecture; Pharmaceutical
Trademarks***

Legal Issue- I

Whether garment designs are protectable under Copyright Law or Designs Law?

Relevant Provisions

❖ **Section 2(c) of the Copyright Act, 1957 defines ‘artistic work’ to mean:**

“(i) a painting, a sculpture, a drawing (including a diagram, map, chart or plan), an engraving or a photograph, whether or not any such work possesses artistic quality;

(ii) a [work of architecture]; and [work of architecture]; and

(iii) any other work of artistic craftsmanship”

❖ **Section 15 sets out the interplay between the Copyright Act and the Design Act –**

*“Special provision regarding Copyright in designs registered or Capable of being registered under the ^{1***} ²[Designs Act, 2000 (16 of 2000)].–*

(1) Copyright shall not subsist under this Act in any design which is registered under the [Designs Act, 2000 (16 of 2000)].

(2) Copyright in any design, which is capable of being registered under the [Designs Act, 2000 (16 of 2000)] but which has not been so registered, shall cease as soon as any article to which the design has been applied has been reproduced more than fifty times by an industrial process by the owner of the copyright or, with his licence, by any other person.”

Relevant Provisions (Contd.)

❖ **Section 2(d) of the Designs Act, 2000 defines ‘design’ as:**

- *“...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 trade mark 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);” (emphasis added)***

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Judicial Interpretation

❖ **Rajesh Masrani vs. Tahiliani Design Pvt. Ltd. [2009 (39) PTC 21 (Del)]**

- *“In the present case, as per the pleadings, the work in question has not been reproduced more than 50 times by an industrial process by the plaintiff...We are, therefore, of the opinion that the plaintiffs’ work is entitled for protection under Section 2(c) of the Copyright Act and is an original artistic work. Since the work is an ‘artistic work’ which is not covered under Section 2(d) of the Designs Act, 2000, it is not capable of being registered under the Designs Act and the provisions of Section 15(2) is not applicable.”*

❖ **Microfibres Inc. and Ors. Vs. Girdhar and Co. and Ors. [2009 (40) PTC 519 (Del)]**

- *“f. The original paintings/artistic works which may be used to industrially produce the designed article would continue to fall within the meaning of the artistic work defined under Section 2(c) of the Copyright Act, 1957 and would be entitled to the full period of copyright protection as evident from the definition of the design under Section 2(d) of the Designs Act. However, the intention of producing the artistic work is not relevant.”*

❖ **Ritika Private Ltd. vs. Biba Apparels Private Ltd. [230 (2016) DLT 109]**

- *“...that once a drawing, a sketch or a design is used for creation of dresses, then, once the dresses cross 50 numbers, no copyright can subsist in the drawing and sketch under the Indian Copyright Act because of the language of Section 15(2) of the Indian Copyright Act.”*

Legal Issue- II

Can the author's right in case of architectural work prevail over land/building owner's right of demolition of such work?

Relevant Provisions

- ❖ **Provisions relevant to understanding scope architectural work under the Copyright Act, 1957 –**
 - **Section 2(b)**- Work of architecture means *“any building or structure having an artistic character or design, or any model for such building or structure”*
 - **Section 2(c)** -“artistic work” means, — *“(ii) a [work of architecture]”*
 - **Section 57-** *“Author’s special rights.— [(1) Independently of the author’s copyright and even after the assignment either wholly or partially of the said copyright, the author of a work shall have the right—*
 - (a) to claim authorship of the work; and*
 - (b) to restrain or claim damages in respect of any distortion, mutilation, modification or other act in relation to the said work 2 [***] if such distortion, mutilation, modification or other act would be prejudicial to his honour or reputation.”*

Judicial Interpretation

- ❖ **Raj Rewal vs. Union of India and Ors. [2019(79)PTC187(Del)]**
 - “...*the special rights of the author of an architectural work cannot be interpreted as being a restriction on the right to property of the owner of the land and building and entitling the author to restrain the owner of the land and building in which the architectural work has been expressed, from better utilizing his land or building by removing the existing building and constructing new building on the land.*” (emphasis supplied)

Legal Issue- III

Whether grant of punitive/exemplary damages in suits for infringement of pharmaceutical trademarks is an extension of a ruling in the plaintiff's favour?

Introduction

- ❖ **Landmark- Cadila Healthcare Limited vs Cadila Pharmaceuticals Limited [AIR2001SC1952]**
 - ‘Exacting Judicial Scrutiny’ standard articulated by Supreme Court of India for assessing the likelihood of confusion in pharmaceutical products
 - Courts have displayed a tendency to rule in favour of Plaintiffs in passing off/infringement suits in the domain of pharmaceutical trademarks (even when there exists a modicum of confusion)
- ❖ **Concept of Punitive/Exemplary Damages**
 - No explicit provision(s) in any Indian laws pertaining to punitive damages
 - Punitive damages are not recoverable by the plaintiff as a matter of right or as an independent form of relief, and are generally awarded only to supplement compensatory damages, with the exact amount being awarded at the court’s discretion
 - Underlying consideration- whether the defendant’s misconduct has an element of ‘wilful and wanton disregard’ [as punitive damages are known to be awarded only in extremely rare cases]

Judicial interpretation

❖ **Glaxosmithkline Pharmaceuticals Ltd & Anr vs. Sarath Kumar Reddy G [2017 (69) PTC 160[Del]]**

- Position: Court refused to impose Punitive Damages as a natural corollary of a determination in the plaintiffs' favour; Injunction granted against the Defendant's use of the mark 'GSK'
- 'Exacting judicial scrutiny' standard applied by Delhi High Court
- *"Apart from producing copies of packaging of the infringing products, there is no other material which would indicate the extent of the sales of the defendant. Further, the Plaintiffs have also not been able to quantify any loss caused to them by use of the trade mark 'GSK' by the Defendant. In view of the aforesaid, it is difficult to hold that the Plaintiffs are entitled to damages. Accordingly, the same is rejected"*

❖ **Glenmark Pharmaceuticals Ltd. vs. Curetech Skincare and Ors. [2018(76)PTC114(Bom)]**

- Position: Exemplary Damages of Rs. 1,50,00,000/- imposed
- *"It is clear that the Defendant No. 2 is not only indulging in infringing activities by repeatedly copying brands of other companies but also appears to be in complete violation of the FDA regulations. The conduct of the Defendant No. 2 shows that this Defendant has no regard or respect to the rule of law. The consumers and general public are being repeatedly cheated by the Defendant No. 2..."*

Judicial interpretation (Contd.)

- “...I am of the opinion that had this Defendant been imposed with exemplary costs at the very beginning of their infringing activities, this Defendant would not have been audacious in repeating its infringing activities.”
- “Generally, in these kinds of cases of infringement of trade mark, copyright and passing off, if the Defendants appear and show willingness to submit to a decree, the Courts are generally lenient and allow the parties to settle the matter with no or nominal costs. However, this is not one of those cases. This is a case where the conduct of the Defendant No.2 is not only dishonest but also audacious and such which displays no regards to the authority/rule of law.”

❖ **Shalina Laboratories Pvt. Ltd. and Ors. vs. Twin Impex and Ors. [MIPR2018(3)282]**

- Position: Exemplary Damages of Rs. 1,50,00,000/- imposed
- “Considering the dishonest conduct of the Defendants and considering the fact that the parties have left it to this Court to decide the amount of costs, even in the present case, I direct that an amount of Rs. 1,50,00,000/- (Rupees One Crore Fifty Lakhs Only) shall be jointly and/or severally paid towards costs.”

❖ **Reckitt Benckiser (India) Pvt. Ltd. vs. Mohit Petrochemicals Pvt. Ltd. and Ors. [CS (COMM) No. 141/2020 and I.A. Nos. 4034-37/2020]**

- Position: Cost of Rs. 1,00,000/- imposed on the Defendant; Injunction granted against Defendant’s use of the mark 'DEVTOL'

THANK YOU!

Questions?

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