

Intellectual Property advocacy in the fields of:

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INAUGURATION OF THE WIPO IP DIAGNOSTICS TOOL AT THE NATIONAL IP CONFERENCE'2023

IP is the fuel that powers the engine of the knowledge economy ~ Prof. (Dr.) Unnat Pandit

WIPO IP Diagnostics is a software-based tool that enables a small business to undertake the self-assessment of its intellectual property (IP) aspects. WIPO and the Government of India through the Office of the Controller General of Patents, Designs and Trade Marks engaged in an intense collaboration to adapt this tool to the Indian legal and procedural context. The tool generates reports based on targeted questions related to Intellectual Property Rights. WIPO IP Diagnostics – Indian Adaptation was developed in six months through intense working of a team from WIPO & the O/o CGPDTM in India. This tool will soon be available in various Indian Languages which will be accessible to millions of stakeholders.

The self-learning IP tool is collaboration between WIPO and the Office of Controller General of Patents, Designs and Trademarks was launched on October 13, 2023 in Delhi at the National IP Conference. It is an Indian adaptation that empowers our SME's and MSME's to self-assess their IP assets where a right holder is able to determine what his rights are prior to seeking professional help. It aims to help stakeholders to understand their intellectual property rights, commercialize their IP, protect and enforce their IP globally, and identify relevant IP in a business context. Further, the reports generated by the tool are helpful in making informed decisions related to IP management and protection.

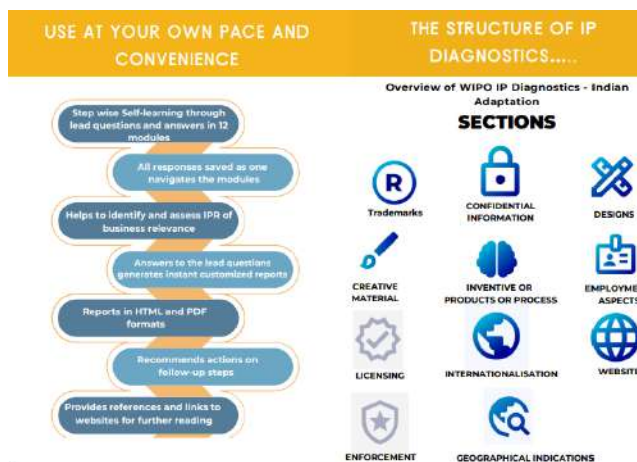
Union Minister for Commerce and Industry, Mr. Piyush Goyal attended this prestigious event and conferred the National Intellectual Property Awards at the conference. Speaking on the occasion, he said that during the Amrit Kaal journey, transformation is an essential part of making India a developed economy and Innovation is at the centre of transformation. He said that Intellectual Property could also be termed as an area of Infinite Potential.

Mr Goyal said that technology and innovative ideas are the twin engine of growth and Intellectual Property Right, IPR, is the fuel that powers this engine. He congratulated all the award winners for their achievements and said that this will inspire future generations to come up with new ideas and solutions for both business and society. He said that hopefully in the next three or four years, India will become 3rd largest Economy and GDP in the world.

Mr. Goyal also highlighted the role of women in IP, accelerating innovation and creativity. He said that Nari Shakti has an untapped potential and the country needs to encourage and take this forward in line with the Prime Minister's call for Women-led development as women contribute hugely to the growth story of India. He said that over the last few years, rapid strides have been made for robust IPR Regime. He said that the total IPR office in its entirety will be digitized, be it trademarks, patents, copyright design, or Geographical Indicator GI.

Mr. Daren Tang graced the occasion with invaluable insights on improving the IP ecosystem. Following which, the Hon'ble dignitaries carried on the discussions on enhancing India's IP and innovation landscape. The discussions also delved into the crucial aspects of Women in IP and their contribution to the Intellectual Property framework.

Dr Unnat Pandit, in one of his social media posts mentioned that building a long-term relationship with WIPO is akin to laying a robust foundation for the global IP ecosystem. The shared commitment on innovation and creativity for offering benefits to the society can inspire change. It is not just about protecting intellectual property rights, but about nurturing an environment that gives rise to breakthrough ideas, fostering an ecosystem where innovation thrives, creating a world where intellectual accomplishments are acknowledged, protected and celebrated.”



The Indian Patent Office’s latest actions, including publishing a detailed IPR newsletter and introducing the Indian adaptation of ‘WIPO IP Diagnostic’ tool, reflects its commitment to enhancing accessibility and understanding in the IP sector. These initiatives, coupled with significant deadline extensions, emphasize the office’s dedication to stakeholder inclusivity and informed participation.

Source: <https://newsonair.gov.in/News?title=Union-Minister-Piyush-Goyal-confers-National-Intellectual-Property-Awards-in-New-Delhi&id=469370>

A ‘CAPTURED’ PATENT OFFICE? *

Three proposed amendments to the Patent Office Rules of 2003 reveal the power of business lobbying groups to bring about changes in India’s rules. If implemented, they will significantly dilute rights of patient groups, impact patent quality and reduce transparency of the patent system.

The Department for Promotion of Industry and Internal Trade (DPIIT), under which the Patent Office functions, has published for consultation a set of proposed amendments to the Patent Rules, 2003. Two of the provisions slated to be amended have a direct impact on the quality of patents granted by the Patent Office. The third impacts the transparency of the patent system in India. The more worrying aspect of this exercise is that all provisions have featured on the lobbying agenda of three powerful foreign advocacy groups representing some of the most powerful corporations in the world.

Pre-grant opposition:

The first proposal relates to amending the pre-grant opposition mechanism, which allows patent applications to be opposed before the Patent Office officially “grants” the patent. This provision has existed in different forms in Indian patent law since 1911.

In its comments to the USTR in 2022, the United States Chambers of Commerce had complained about the pre-grant opposition mechanism in Indian law. In its own words: “For many years, pre-grant oppositions from “any interested party” caused undue delays in the granting of patents in India. This has allowed parties with political, ideological, and other non-technical opposition to patent applications to unduly delay the process by raising a series of pre-grant challenges.” From a policy perspective, pre-grant oppositions are excellent policy. This is because they allow competitors to the patent applicant, who is more likely to be more familiar with the invention sought to being patented, to contribute to the examination process by bringing forth the latest “prior art” to the attention of the Patent Office. From a policy perspective, pre-grant oppositions are excellent policy.

Between 1911 and 2005, Indian patent law allowed any person to “oppose” a patent application within a three-month window, after the patent application had been examined and found fit to be granted but before the patent was “sealed.” In 2004, as the deadline to comply with the WTO Agreement on Trade-Related Intellectual Property Rights (TRIPS) was drawing to a close, the United Progressive Alliance (UPA)

government issued the Patent (Amendment) Ordinance, 2004 which deleted the existing pre-grant opposition mechanism. The new legal mechanism did not guarantee any person who filed a pre-grant opposition, a right to be heard by the Patent Controller.

This was surprising because this amendment was not required by TRIPS and the TRIPS deadline was the main reason for the ordinance to be promulgated. There is some speculation that an anonymous note delivered to the cabinet secretary by the Indian ambassador to the United States in 2004 influenced this decision.

However, since the ordinance would lapse, Parliament had to necessarily enact a law to amend the Patents Act. This time round, the CPI (M), which was providing support to the UPA, made pre-grant opposition a major issue during negotiations with the government on support for the bill in Parliament. The government agreed to make some concessions and the amendment brought about by the ordinance was further amended to include this specific phrase in the provision dealing with pre-grant opposition: "the Controller shall, if requested by such person for being heard, hear him and dispose of such representation."

Pre-grant oppositions have been on the radar of advocacy groups like the US Chambers of Commerce, which have complained the process is resulting in delay of grant of patents because those with "ideological" and "political" objections are filing "serial" pre-grant oppositions.

Despite the express wording providing persons filing a pre-grant opposition a specific right to be heard, the Patent Office refused to play ball when patient groups started filing pre-grant oppositions against pharmaceutical patent applications.

In 2008, a patient group took up this issue to the Madras High Court in a case involving a patent application for an AIDS drug. The court ruled that it was mandatory for the Patent Office to give a hearing to every opponent who filed a pre-grant opposition, including patient groups. Since then, pre-grant oppositions have been on the radar of advocacy groups like the US Chambers of Commerce, which have complained the process is resulting in delay of grant of patents because those with "ideological" and "political" objections are filing "serial" pre-grant oppositions.

The amendment to the Patent Rules, under discussion, has responded to these complaints. If carried through, it will give the Patent Controller the power to decide the "maintainability" of any pre-grant opposition, that is, whether the opposition should even be heard by the Patent Controller.

The fear of patient groups is that the Patent Office will use this untrammelled power to reject their pre-grant oppositions and that the patent will be granted by the time they can seek redress from an appellate forum.

The "maintainability" requirement makes no sense in context of pre-grant oppositions where the law has deliberately not laid down any criteria on who can file it as long as it is filed before the patent application is granted. Legally speaking, a determination about "maintainability" makes sense only in those legal proceedings which limit the right to file legal claims to certain people or where the law imposes time limits on initiating legal action or where there are doubts about the jurisdiction of the forum.

Without the law specifying any specific criteria to determine maintainability, the Patent Controller will have complete unfettered discretion to decide whether to admit or reject a pre-grant opposition. The fear of patient groups is that the Patent Office will use this untrammelled power to reject their pre-grant oppositions and that the patent will be granted by the time they can seek redress from an appellate forum.

The more important question is whether this requirement will stand a legal challenge since Section 25(1) of the Patents Act is very clear that "the Controller shall, if requested by such person for being heard, hear him and dispose of such representation." The Patent Rules notified by the government cannot go against the language of the Patent Act enacted by Parliament. There is a high likelihood if challenged before court, the proposed amendment will be struck down as illegal because it undermines the right guaranteed in Section 25(1) by allowing the Patent Controller to refuse a hearing to some persons who do file pre-grant oppositions.

Disclosure of actions by foreign patent offices:

A second proposed amendment is aimed at diluting Section 8 of the Patents Act. This provision gives the Patent Controller the power to demand from the patent applicant copies of examination reports prepared by foreign patent offices examining corresponding patent applications for the same invention. The logic is that the Patent Controller can benefit from these foreign patent office reports while deciding upon the grant of the Indian patent application.

This provision has been in the sight of American advocacy groups like the Pharmaceutical Research; Manufacturers of America (PhRMA). In submissions to the USTR, the group had complained that Section 8 "creates heightened and unduly burdensome procedures that mainly impact foreign patent applicants" and that "much of the information

sought is now publicly available on patent office websites in most major jurisdictions.”

If powerful corporations with their armies of lawyers are finding this requirement “burdensome,” how are overburdened Patent Controllers going to have the time to access this information by themselves just because it is available on public databases?

The actual reason for the opposition to Section 8 is because patentees do not want to disclose adverse reports of foreign patent offices, which may lead to the Indian Patent Office rejecting their patent application. A failure to disclose these foreign reports can also lead to trouble for the patentee later during patent infringement proceedings. Indian courts have been known to deny injunctive relief on the grounds that the patentee failed to approach the court with clean hands.

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The proposed amendment will require patent controllers to use publicly available databases to access information from foreign patent offices. This requires more time and effort by Patent Controllers in India. As per this proposed amendment, Patent Controllers can now summon only a “fresh statement and undertaking in Form 3.” This information is largely inconsequential since it involves only the identifying details of the foreign patent application filed in foreign patent offices such as the application number, status, date of filing etc. This is very different from the existing rule which allowed the Patent Controller to summon entire examination reports of foreign Patent Offices.

This proposed amendment will be tough to challenge in court because the Patents Act delegates to the government the power to determine, via the rules, the kind of information that can be summoned by the Patent Controller pursuant to Section 8(2) of the Patents Act.

Reporting requirements on earning per patent:

A third proposed amendment is aimed at a requirement in Section 146 of the Patents Act that requires patentees to disclose their earnings from the sale of the patented invention.

This commercial information is invaluable to the Patent Controller in compulsory licencing proceedings. It helps to assess whether the legal threshold for the grant of compulsory licences has been met. Courts can use this information to calculate damages in patent infringement cases. For

academics, this information helps understand the workings of the patent system and its impact on the economy.

American advocacy groups have for long been lobbying against this provision. In its submission to the USTR, the Intellectual Property Owners Association (IPOA) had this to say about Form 27 which implements Section 146:

Form 27 is also extremely burdensome, including requests concerning the value of the products worked and the licenses or sub-licenses that are granted for a given patent. Not only might this be difficult to provide such information, but it also forces patent holders and their licensees to potentially provide confidential business information to the government and public.

If the American SEC can force these companies to make such financial disclosures, India is well within its right to demand similar disclosures of information in exchange for granting monopoly rights under its patent law. The proposed amendment concedes to the lobbying on Form 27 by proposing to amend the existing rule to require this information to be provided to the government only once in three years.

While this rule change is not illegal since the Patents Act delegates the power to determine the filing schedule to the government, the amendment will make it tougher to collect information in order to demonstrate to the Patent Office that the patentee is selling the inventions at too high a price or that it is unable to meet the public requirements in India. This in turn will impede the filing of applications for compulsory licences. Similarly, academics will be impeded in understanding the impact of the Indian patent system on the Indian economy.

A captured patent office:

While the government must be receptive to business concerns, even if those concerns are raised by foreign businesses in India, one would expect the Indian bureaucracy to draw the line at safeguards meant to protect Indian public interest. The extent to which these proposed amendments respond to the specific concerns of American advocacy groups despite these amendments being against Indian public interest, should give us serious cause to worry.

Source: <https://www.theindiaforum.in/law/captured-patent-office>

** Opinions expressed in the article are suggestions/views of the author of the said article.*