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THE TAYLOR SWIFT ERA IN INTELLECTUAL PROPERTY RIGHTS

By


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INTRODUCTION:

The world loves a *status-quo,* companies love a status-quo, not everyone rises against status quo or thinks of upsetting the apple cart. Normally people do not even think it is possible to upset the apple cart or change the status-quo and are intimidated with the thought of taking on organizations that maintain the status quo to their advantage and are petrified of even trying to change the status quo.

Once in a while, comes along a person, who takes up the challenge and thinks differently. Who says, this is not right, who says that this is not just, who says that this is making me suffer, who says that I have enough.
TAYLOR SWIFT is one such person.

The music industry has been in the grip of label owners with the real heroes and heroines not really getting their due. The creator did not reap the benefits of his creation, something was fundamentally wrong here. Imagine a farmer who could not reap what he had sown.
Taylor Swift realized that every time she had to perform her own songs in shows to her own audiences which were her own lyrics and her own music compositions, she had to go back and take permission from the record label that had first published her song. The masters had her on a leash.
Instead of following the routine, she decided to do something to change it. Fortunately for her, the US Copyright Act 1976 came to her rescue. It had a provision that the original artist could record the same song again with little or no changes and publish it again, under her own label or a different label and be the owner of copyright of this new recording, no longer requiring permission from the label that had first published the artists songs.
This has completely upset the apple cart of established music labels.
For one, it has allowed the artist complete freedom to perform her own songs using her own crew. This has greatly reduced the cost of performance and allowed the artist to distribute their own work at a price that is much lower than the earlier price.
Not only that, it has allowed the artist to establish a direct connect, without a middleman, with their audiences.
This was unheard of and is indeed path breaking. So much so that other artists too have now adopted this same model and are breaking free from the tyranny of the label.
The case study presented below details how Taylor Swift broke free from the chains that the music label used to hold her back and deny her rightful due.
The *"could show you incredible things"* phrase owner Taylor Swift a singer, songwriter and a savvy business woman has shown her incredible *"never go out of style"* strategies preventing others from piggy-back riding on her fame and reputation.
Taylor Swift, individually and through her company TAS Rights Management, currently owns over 200 U.S. trademarks and has applied for over 350 trademark application. She demonstrated her entrepreneurial prowess by releasing ***Taylor Swift: The Eras Tour*** directly through AMC Theatres in October 2023, eschewing Hollywood studios even though she lacked the support of a typical marketing machine. This case study will look into the strategies crafted by the singer and will also highlight the benefits of protecting IP rights for building a successful brand. This case study will also discuss her future strategy to reclaim copyright ownership of her first six albums.

FANS AS HER BRAND AMBASSADOR:

Other than any artist Taylor Swift has always appreciated her fans (SWIFTIE) and acknowledged them for showing her their support. She even organized secret listening sessions for her fans before the 1989 album was officially released which created a sense of exclusivity in her fans' minds.

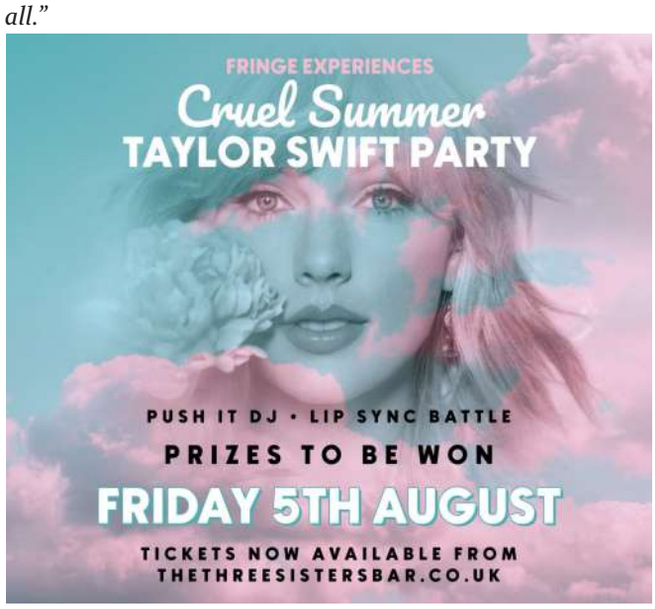
Along with this, Taylor Swift sings two acoustic songs each concert, also known as Surprise Songs in which fans, tried to guess what she would be singing each night of the tour. She uses the power of social media to create buzz by engaging with her fans by dropping surprise clues about her new songs and albums maintaining a sense of freshness and unpredictability generating an immediate interest. Recently she revealed she's releasing her new album "The Tortured Poets Department" during her acceptance speech at the 66th Grammy Awards held on 5th February 2024 for best pop vocal album, which she won for "Midnights" creating hype all over the social media. Just after her acceptance speech she posted her album cover on her Instagram alongside handwritten lyrics: *"And so I enter into evidence / My tarnished coat of arms / My muses, acquired like bruises / My talismans and charms / The tick, tick, tick of love bombs / My veins of pitch-black ink."*

Tay-Tay has built a never-before-seen distribution channel with her fans, and she is the only one who can break this supply chain between her and her customers/fans. Over her career, she has built a base of over 468 million followers on social platforms. As the New York Times recently noted, this means she no longer needs the, by comparison, paltry distribution of the global NYT to spruik her new album.

Trademark "SWIFTIE" has empowered Taylor Swift to have control over the term's usage in merchandise and branding. If she wants to have any event organized for her fans it can be used for an advertisement. It will also prevent others from misleading her fans, making the bond between her and her loyal fans much stronger and more solid. Where possible she tries to develop relationships with her fans because who can be a better brand ambassador than your own fans.

PERSONAL BRANDING

Taylor swift writing is truly based on her personal life experience which makes it one of the major reasons she has been so popular she has an appealing ***"personal brand".*** Her fans feel like they know her through her lyrics. They are not just listening to her songs but also know what's going on in her life. Connecting with fans letting them get to know you through various platforms makes marketing and sales much easier. As people don't just buy a "product" but a "story" they want a personal connection to a brand. This also help her in securing her trademark on phrases from her song lyrics and have some kind of property right in them when they are applied to products and services as one of the elements of trademark is "to identify the source."
One of her signature lyrics writing techniques is her visual clues personalizing and universalizing the listening experience in her own fashion. For instance, in Red, we hear: *"Loving him is like driving a new Maserati down a dead-end street," "Faster than the wind, passionate as sin, ending so suddenly," "Loving him is like trying to change your mind once you're already flying through the free fall," "Like the colors in autumn, so bright just before they lose it all."*



Many listeners may have a specific "him" in mind and immediately re-experience some past memories involving that person alongside Swift's singing voice and imagery. Another example, in Blank Space, Swift paints images such as *"I can read you like a magazine," "Grab your passport and my hand,"* and *"Screaming, crying, perfect storms," "I can make all the tables turn," "Rose garden filled with thorns".* The entire premise of the song Blank Space is Swift's personal mockery of the press' portrayal of her own image as a "boy crazy" "serial-dater" that very few people can claim to be theirs. As it can be said that these phrases are elements of everyday life but the specific way of using it is

arguably unique to swift alone. This help the phrases to meet requirements of being "a distinct, original combination of words" and "identified with the singer."

Recently, soon after the announcement of her new album at Grammy (as mentioned above) her legal team filed the trademark application for her new album name "The Tortured Poets Department" this shows how important timing strategy is when it comes to trademark filing, the day you file your application that day becomes the priority date of your trademark. This implies that, once you file, nobody can move up in line ahead of you. The first to register a

trademark gets to keep it.
Swift is the first musician to stake this kind of claim on words, but there are precedents in celebrity and sports. Wrestling commentator Michael Buffer trademarked the phrase *"Let's get ready to rumble"* and made millions. Paris Hilton managed to trademark *"That's hot"* and win a lawsuit against Hallmark.

These all are some catchy phrases that people would like to have printed on their T-shirt and compel them to purchase so she has built a successful merchandise empire, with products ranging from clothing to phone cases to jewelry and trademarking these phrases has given her monopoly over there use on her merchandise. By diversifying her revenue streams, Swift has been able to capitalize on her brand and reach a wider audience. She has also been strategic in her partnerships, collaborating with brands that align with her values and image. This has helped her maintain her authenticity and credibility while also expanding her business ventures.

EXPANDING AUDIENCE BY EXPLORING THROUGH GENRES AND STRATEGIC PARTNERSHIPS

Taylor Swift is one of the few artists to truly explore other musical genres successfully. There are very few artists who have had the confidence and flexibility to move between genres within a decade and be embraced so fully in doing so. She started from the country era then changed to pop-synth then for the past five years she keeps on switching from electropop to folk to pop-synth again while being truthful to her songwriting and also striking a balance between more mature and playful themes, ensuring that her work continues to resonate with her existing followers as they grow older, as well as with younger fans.
Not all styles have the same success, but it did expand her audience as many people who may not have enjoyed her country music or her dark electropop sound in Reputation have come to adore the laid-back and folkloric Folklore and Evermore era.
Some artists do have sustained long careers by sticking to the same musical style but only a few special ones have sustained careers across many genres. It can be easy as an entrepreneur to continue doing things the same way and put endless hours into your company. However, most of the time, no matter how hard you work, you will not succeed. Maybe there isn't a large enough audience for the product, or your marketing channels aren't relevant to your industry. Longevity, credibility and commercial success come from adaptation and evolution.
Taylor swift effective marketing by demonstrating her "imperfection" rather than showcasing "perfection" like any other celebrity not only help her grow her own business, but also businesses she partners with. This approach of hers helps her in developing brand authenticity. Whether it's Target ad where she is bumped on the head with basketball or an Apple commercial where she faceplants on the treadmill, she embraces her vulnerability conveying to the audience that she is no different from them.
NFL saw a significant boosts in game viewership when she started dating Travis Kelce and her past collaboration with NFL have attracted especially female audience. Her attendance at a game in October propelled it to become the most-watched

Sunday show. From their proximity to swift help the league achieves its goal of spiking interest among the audience.
Taylor Swift's strategic partnership with Capital One, sponsor of "The Eras Tour" has facilitated her entry into new markets and expanded her music's appeal. Through the partnership, Capital One cardholders gain exclusive access opportunities to Swift's entertainment experiences and perks like limited edition albums. This collaboration benefits both parties, as Swift broadens her fan base by attracting Capital One cardholders, while cardholders enjoy special access to her shows, creating a mutually beneficial arrangement. To remain in the public consciousness, one should keep expanding their brand reach, invest in a mix of relevant partnerships, and also interact with previously unexplored audiences.

GETTING VALUE OF YOUR OWN RARE AND VALUABLE THINGS

Swift has aggressively exercised the rights afforded to her by copyright law. It was when on September 3, 2015, one of the hosts of the podcast "Citizen Radio" read some of Swift's lyrics. Swift's team sent a cease-and-desist letter to the podcast and apparently the part where the host discussed the music video of her song "Wildest Dreams", and a quick reading of the song lyrics were removed. Swift has been vocally critical of music streaming services such as Spotify. Swift has expressed the opinion that artists, writers, and music creators are not fairly compensated by music streaming services and has stated that she does *"not agree with perpetuating the perception that music has no value and should be free"*.

Swift defied the traditional business model in the music industry by re-recording her first six albums and negotiating the rights to the master recording when she switched label, two well publicized actions that gave her control over her music rights. As she says, *"And the reason I'm rerecording my music next year is because I do want my music to live on. I do want it to be in movies, I do want it to be in commercials. But I only want that if I own it"*. She also made the decision to independently release her most recent concert film rather than going via traditional film companies in the same vein. Not only is she optimizing her value capture by controlling the means of production and dissemination of her work, but she is also able to quickly adapt to a changing market since she is not dependent on preexisting distribution layers.

Songwriters own the composition rights to the songs they write, but the record label owns the masters of the recordings i.e., the original recordings that were distributed on album, CD, streaming etc. And when those recordings are used or bought, the record label gets paid.

With regards to Taylor Swift, she only owns the composition of her earlier albums; she does not have the rights to her master's which means she will not be able to sing her old songs without the permission of the owner of her masters, who, in this case, is Big Machine Records. Big Machine Records is able to do this because they alone have the exclusive rights to reproduce, prepare, distribute and publicly perform Taylor Swift's previous "sound recordings." This authority comes from the US Copyright Act of 1976.

Still, she was able to re-record her albums, how is that possible wouldn't this amount to copyright infringement? Indeed, it will amount to infringement as you listen to her any re-recorded song, they sound virtually identical to original song but her team found a loophole in Section 114(b) of the US Copyright Act,1976 which states that

"The exclusive rights of the owner of a copyright in a sound recording under clauses (1) [making copies] and (2) [making derivative works] of section 106 ***do not extend to the making or duplication of another sound recording that consists entirely of an independent fixation of other sounds, even though such sounds imitate or simulate those in the copyrighted sound recording."***

In other words, this section allows for Taylor Swift to make a re-creation of a previous song, that is virtually identical, as long as she makes a new recording of that song. To acknowledge this, Swift re-releases the original songs with little alteration and puts a "(Taylor's version)" annotation at the end of each song title. Not only has this been a genuinely epic comeback to the template and playbook of the music industry, but it also demonstrates what can be accomplished when one owns intellectual property. It demonstrably increased the value of her musical assets.

CONCLUSION

Taylor Swift shows no signs of slowing down when it comes to her business ventures. By safeguarding not only her music but also associated elements like album titles, merchandise, and tour-related assets, Swift has fortified her position in an industry where brand identity is paramount. Her willingness to explore through different genres and adapting changes in market dynamics shows her entrepreneurial spirit and commitment to longevity in the industry. By reclaiming her control over her music, she has set a precedent for artists to assert more control over their creative work. As she navigates through an ever-changing music industry, her dedication to exclusive ownership of her creative work and protecting her intellectual property is an inspiration to aspiring artist and businesspeople alike. As she continues to evolve as an artist and entrepreneur, fans can expect to see even more innovative and exciting business ventures from Taylor Swift in the future.

"Music is art, and art is important and rare. Important, rare things are valuable. Valuable things should be paid for."

~ Taylor Alison Swift

*[**Note: Ms. Ananya Sinha, co-author of this case study, contributed significantly during her internship at DuxLegis Attorneys in the Trademark/Copyright Department. This collaborative case study is a product of our joint efforts and represents one of her completed projects during her internship with DuxLegis Attorneys.]*

MAHARASHTRA BUDGET 2024: AN EASE TO WOMEN-LED STARTUPS

By Divyendu Verma & Krutarth Sontakke

On July 09, 2024, the State Government of Maharashtra announced the *"Punyashlok Ahilyadevi Holkar Mahila Start-Up Yojana-2024"* in the Maharashtra Budget 2024, aimed at providing financial support and aid to women-led startups and fostering the development of the startup ecosystem in Maharashtra. This is a distinctive initiative by the Maharashtra Government, alongside the All-India Start-Up Convention in the state.

In the startup ecosystem, women-led startups have faced various challenges and hurdles in sustaining their competitive businesses. Success in this sector is difficult without adequate funding and support. Women-led startups can generate other local startups based on the needs of the locality and the availability of local raw materials. Through this developmental step by the Government of Maharashtra, women will become more self-reliant, enhancing their business vision. Providing adequate funding to women-led startups will give them a boost and create employment opportunities for other women as well. It will also encourage rural women and their startups. The objectives and eligibility criteria of the scheme are as follows:

Objectives:

- To support women-led startups in the state.
- To provide financial aid and promote the growth and expansion of women-led startups and innovative businesses.
- To make women-led startups self-sufficient and independent.
- To highlight Maharashtra as the state with the highest number of women-led startups in the country.
- To reduce unemployment by generating employment through women-led startups.
- To reserve 25 percent of the total amount of this scheme for women belonging to government-specified Backward Classes and Economically Backward Classes.
- To provide women-led early-stage startups with a minimum of Rs. 1 Lakh to a maximum of Rs. 25 Lakh according to their turnover.

Eligibility:

- Maharashtra-registered women-led startups recognized by the Department for Promotion of Industry & Internal Trade, Government of India.
- The startup should have at least 51% share of women founders/co-founders.
- The women-led startup should be operational for at least one year.
- The women-led startup should have an annual turnover of Rs. 10 lakhs to Rs. 1 crore.
- The women-led startup should not have received financial benefits in the form of grants from any state government scheme.

In view of the above scheme, this initiative by the Maharashtra Government is set to help many women-led startups and simultaneously promote women entrepreneurship across the state. The implications of this scheme will definitely increase the development of women-led businesses and widen the scope for innovation and invention in businesses. Indeed, this is another positive step towards strengthening the start-up ecosystem in India.

DELHI HIGH COURT DEMANDS CLEAR JUSTIFICATION FOR REJECTIONS OF COMPUTER-RELATED INVENTIONS

By Divyendu Verma

The Delhi High Court, in the case of **Microsoft Technology Licensing, LLC vs Assistant Controller of Patents and Designs** [C.A.(COMM.IPD-PAT) 185/2022], emphasized the significance of Section 3(k) of the Patents Act, 1970. This section dictates that a patent must demonstrate a specific technical effect or enhancement beyond general computing processes when implemented on a general-purpose computer.

BACKGROUND

MICROSOFT TECHNOLOGY LICENSING, LLC appealed against the Controller's decision dated May 23, 2019, which refused their patent application (3304/DEL/2005) titled "Reversible 2-Dimensional Pre- /Post-Filtering for Lapped Biorthogonal Transform." The refusal was based on the claims falling under Section 3(k) of the Act, deeming them unpatentable.

ARGUMENTS BY MICROSOFT

Microsoft's counsel argued that the patent addresses inefficiencies in encoding 2D digital media data through a novel application of a one-dimensional lapped overlap operator. This method partitions the 2D data into macroblocks, applies a reversible 2D overlap operator, and uses a reversible 2D block transform, resulting in a highly efficient compressed bitstream. The counsel emphasized that this approach minimizes redundancy and is suitable for both lossless and lossy compression.

Additionally, Microsoft's counsel contended that the Controller erroneously relied on outdated 2016 CRI Guidelines, which required novel hardware for patentability in computer programs. These guidelines were replaced in 2017, eliminating the novel hardware requirement.

Image courtesy: www.sciencenews.org

RESPONDENT'S ARGUMENT

The Respondent argued that the patent application merely involves a computer program in C-language, thus falling under Section 3(k) and being non-patentable. They claimed that if the technical contribution resides solely within the computer program, it is not patentable.

COURT'S ANALYSIS AND DECISION

The Court acknowledged that the invention enhances encoding and decoding efficiency using lapped transforms, addressing both technical and practical limitations. It noted that the Controller erred by applying the 2016 CRI Guidelines, which had been replaced by the 2017 Guidelines removing the novel hardware requirement. The Court cited previous cases, such as *Raytheon Company vs. Controller General of Patents and Designs and Lava International Ltd. vs. Telefonaktiebolaget* LM Ericsson, to establish that inventions improving system functionality and offering technical advancements are patentable, even if they incorporate algorithms or instructions.

The Court concluded that Microsoft's patent application integrates complex mathematical transformations into hardware components, enhancing digital media data compression. This integration significantly improves system performance and efficiency, thereby meeting patentability criteria.

CONCLUSION

The Court ruled that Microsoft's patent application should be granted, as it satisfies the requirements of novelty and inventive step. It reiterated that inventions enhancing system functionality and solving technical problems can be patentable, even if they involve computer programs. The ruling highlights the importance of demonstrating a clear technical effect or enhancement to avoid rejection under Section 3(k) of the Patents Act, 1970.

OUR TAKE

It is thus clear that the patent office / officer may not be the best judge of a technology, innovation and may be just relying on rules and regulations to reject / approve a patent application. That is like applying rules rather than applying mind. While applying rules is important but applying mind more important. Applying mind requires a whole different set of skills, domain knowledge and expertise. The patent office / officer may have none of these.

If one was to go by the logic of rejection, then all patents that improve functioning of existing of software or create new functionality will stand rejected as all of them would use the existing language interpreter, in this case C Language running on a standard computer.

Had this decision been of the patent office been upheld, it could create a whole new set of problem as any new innovation would get automatically rejected using this argument, thus effectively closing the door for grant of any patent that made things better!

PATENTS & INNOVATIONS

Guest article by Vinod Chand

How patents not only protect intellectual property but promote innovation.

Imagine a world where there was no protection of intellectual property. No laws existed that would safeguard your innovation, discovery, or invention. There was nothing that prevented anyone from blatantly copying what you had produced after applying your mind and validating the idea with a working model.

In such a situation, where anyone could copy what you did and copyright became right to copy, there would be no incentive to invent or innovate.

Therefore, the system of patents, a system that gives you exclusive rights on your innovation or invention for twenty years from the date of filing of your patent application with your national patent office as the patent application and once it is granted gives you the incentive for trying to solve problems through innovation and inventions.

Most innovations or inventions happen when people try to solve a problem that exists in their daily life or that exists in the society. Most people simply adjust to the problem only a few apply their mind, their knowledge, their skill, their personal resources and spend from their pocket to make a working model or demonstratable device or intangible stuff like a software. Then to have that being copied would almost be a death knell for any inventor.

The system of granting patents thus ensures that the inventor is protected and can derive monetary benefits from his innovation / invention.

The grant of a patent is a long-drawn process. It requires a search in the existing patent database and often these databases span the globe. Only a unique process, innovation or invention can be patented. Many inventors find out that the problem they had set out to solve has already been solved although the solution has not been commercialized.

Commercialization of a patent is an altogether different ball game. A person may get a patent on an innovation / invention and then not be able to commercially exploit the patent due to paucity of funds or there being no business to back his innovation / invention. Thus, many patents may just lapse in due course of time.

Thus, the existence of patent system not only protects the innovation / invention it provides for a legal framework of protecting the innovation / invention and thus gives an incentive to a person with inventive mind to spend his time, effort, money, and energy on trying to solve a real-world problem.

Without the safety net of a patenting system, there would be little or no incentive to innovate or invent.

IP SNIPPETS:

PATENT CASES:

Kyorin Pharmaceutical Co (Appellant) vs Assistant Controller of Patents and Designs (Respondent)

Case Number: (T) CMA (PT) No. 09 of 2023
Decided on: July 05, 2024

Kyorin KYORIN Pharmaceutical Co., Ltd.

The present appeal has been filed by the appellant against the respondent for rejecting the appellant's patent application on the grounds of lack of inventive step under Section 2(1) (ja) and non-patentability under Section 3(e) of the Patents Act, 1970. The appellant had filed a patent application bearing application no. 5360/CHENP/2010 which pertains to a claim of an orally, rapidly disintegrating tablet having excellent photostability, thereby having the advantage of being easily administered to elderly people and children. The appellant argues the prior art cited by the respondent cannot be cited against the claim of appellant's application and the respondent has not even analyzed the response of the appellant in respect of cited prior arts and the objections raised under Section 3. The respondent argued the claims of the appellant's application did not reflect any inventive step while comparing with the prior arts and that the appellant has also failed to show or prove the claimed photostability.

The Hon'ble High Court of Madras observed the following matter and states that product patent and process patent are different and the application for patent for the product cannot be refused merely because the appellant had successfully obtained a patent for the process involved in manufacturing the product. The Hon'ble Court further states that the respondent did not even discuss the explanation by the appellant with respect to the objection regarding Section 3(e), non- patentability. The Hon'ble Court concluded by remitting the matter for fresh consideration and giving an opportunity, by way of a hearing, to the appellant.

Cornell Research Foundation (Appellant) vs. Assistant Controller of Patents and Designs (Respondent)

Case Number: (T) CMA (PT) No.187 of 2023
Decided on: July 05, 2024

The current appeal has been filed by the appellant w.r.t the rejection of the patent application no. 4167/CHENP/2010 by the respondent. Initially the objections were raised in the first examination report (FER), to which the appellant had reduced the claims, further at the hearing the appellant again reduced the claims. The respondent however rejected the patent application on the ground of Section 59 of the Indian Patents Act, 1970, i.e., the application is being beyond scope. The appellant argued that the appellant had filed five expert affidavits along with written submissions and the same was not considered and the respondent rejected the application on the basis of FER. The appellant also argued that the responses given by the appellant to the hearing notice were not even discussed. The appellant further stated that the corresponding US and European patent has been granted by the appellant by considering the same prior art that has been cited by the respondent. The respondent stated that there is no necessity for remission of the matter, and that the application has been dealt with in detail and satisfactory under sufficient grounds for rejecting the present application.
The Hon'ble High Court of Madras observed the following issue and stated that the respondent should have taken into account the above - mentioned factors by the appellant.
The Court concluded by directing the respondent to consider the matter afresh by giving a fair opportunity to the appellant by considering all the matters and also assigning different Patent Controller to avoid embarrassment to the parties.

Frito-Lay Trading Company-Gmbh (Appellant) vs. The Assistant Controller of Patents and Designs (Respondent)

Case Number: (T) CMA (PT) No.202 of 2023
Decided on: July 04, 2024

Frito Lay

The appellant has been filed the current appeal w.r.t. the rejection of the patent application bearing application no. 4689/CHENP/2010 relating to food products containing table salt formulations, on the grounds of lacks inventive steps (Section 2(1) (ja)) and that the claim is only a mixture of two types of inorganic salts (Section 3(e)). The appellant argued that the respondent has misunderstood the claims and thereby failed to appreciate the inventive steps shown by the appellant, the appellant submits that the respondent did not even consider the amended claims and also ignored the material portions specification wrongfully concluding that the claims were mere admixture of two types of inorganic salts. The respondent argued that the claim of

the appellant's invention to achieve a smaller size particle cannot be an invention and the combination of two inorganic salt in appellant's application is already available in prior arts, therefore the respondent refused the appellant patent application.

The Hon'ble Delhi High Court observed that the present objections were taken at the time of hearing notice and the appellant in their written argument has explained the inventive step involved in the formulation as well as the synergism of the components. The Hon'ble Court stated that they do not find any obviousness from the prior art and that the prior arts completely teach away from the claimed invention exhibiting not only novelty but also non-obviousness. The Court accepted the appeal and set aside the impugned order, granting the patent to the appellant.

Microsoft Technology Licensing LLC (Appellant) vs. Assistant Controller of Patents (Respondent)

Case Number: (T) CMA (PT) No.49 of 2023
Decided on: July 03, 2024

Microsoft

The current appeal has been filed by the appellant for rejecting the patent application, bearing application no. 5584/CHENP/2010, titled *"Associating Command Services with Multiple Active Components"*. on the grounds of lack of inventive step under section 2(1) (ja), exclusion from patent-protection under sections 3(k) and 3(m) and lack of sufficient disclosure under section 10(5).

The appellant argued that the respondent has wrongfully rejected the application as non-patentable subject matter under section 3(k), and not followed the revised Guidelines for Examination of Computer Related Inventions, 2017 (CRI Guidelines 2017). The appellant further submitted that as per the revised guidelines only computer programs *"per se"* were excluded from patentability and the invention which includes and has been tested for 'technical effect' and 'technical contribution' that improves the system's functionality and effectiveness can be patentable. The respondent submitted that the claimed invention does not produce any technical effect or contribution as per the CRI Guidelines 2017, therefore not patentable under Section 3(k) and also the combination of teachings of the cited prior art documents makes the claimed invention obvious to a PSITA, lacking inventive step.

The Hon'ble Court of Madras observed the following matter and states that *"Thus, even when the claimed invention relates to a CRI, if it results in a technical effect that improves the system's functioning and efficacy (effect on hardware), or provides a technical solution to a technical problem and is, therefore, not limited in its impact to a particular application or data set, it would surmount the exclusion under section 3(k) of the Patents Act."* The Court further states that the technical advancement in the appellant's application would not be obvious to PISTA, passing the inventive step test under section 2(1) (ja) of the Patents Act, 1970. The Court concluded allowing the appellant's application to proceed for grant on the basis of the amended set of claims.

DESIGN CASE:

RISHABH PLAST INDIA PRIVATE LIMITED (Plaintiff) vs. SWASTIK INDUSTRIES & ANR. (Defendants)

Case Number: CS(COMM) 481/2024, I.A. 31018/2024, I.A. 31019/2024, I.A.
Decided on: May 30, 2024

In the present case, the plaintiffs sought an injunction against the defendants who were infringing the registered design No.361251-001 for storage containers 'NIKOLA' and from marketing, manufacturing, promoting, selling storage containers under the model's name 'Jony Vintage'. The plaintiff had issued a cease-and-desist notice to the defendants.. The defendants acknowledge and assured to discontinue the infringing product and also destroy manufacturing moulds, dies, and related apparatus that infringe the product. However, the plaintiff found out that the defendants were still selling and marketing the infringing product.

The Hon'ble Delhi High Court observed the following matter and granted ex-parte ad interim injunction in favor of the plaintiff. The Hon'ble Court concluded by restraining the defendants from copying/pirating and selling copies of the plaintiff's registered design for storage containers 'NIKOLA', and the defendants are also restrained from marketing, manufacturing, promoting, selling storage containers or any other container bearing the same design or an imitation thereof under the model's name 'JONY VINTAGE'.

Plaintiff's Design (NIKOLA)	Defendant's Design (JONY VINTAGE')
	

COPYRIGHT CASE:

POCKET FM PRIVATE LIMITED (Plaintiff) vs. NOVI DIGITAL ENTERTAINMENT PRIVATE LIMTIED & ANR. (Defendants)

Case Number: CS(COMM) 524/2024, I.A. 31732/2024, I.A. 31734/2024
Decided On: June 13, 2024

The present suit has been filed by the plaintiff restraining the defendants from publishing, making available, advertising, selling, offering for sale, marketing, promoting, etc. of the video adaptation to the plaintiff's work i.e., a television series "Yakshini" on any other third-party Media websites. The plaintiff provides an online platform "Pocket FM" via website "www.pocketfm.com" and a mobile application "Pocket FM: Audio Series" by which it offers audio works such as audio series and audiobooks to the users.

Initially the plaintiff and defendants were in business engagement involving adaptation of "Yakshini" audio series, but the discussion did not lead to any fruitful conclusion. In the process the plaintiff had disclosed the proprietorial information regarding the audio series without signing the Non- Disclosure Agreement with defendant, the defendants instead shared a "Release-Form" with the plaintiff, which the plaintiff had signed in good faith. The plaintiff alleges that the defendants are trying to freeride on plaintiff's immense goodwill and reputation by imitating plaintiff's work. The defendants opposed by stating that they had first published about the release of series on twitter and later the video series was released, yet the plaintiff choose to sit tight it the eleventh hour so therefore it cannot be said that the plaintiff has a prima facie case to seek the pre-publication prohibitory injunction. The defendants argue that they have not picked even a single idea from the plaintiff's audio series and that Yakshini is an old mythological character, whose description is available on Wikipedia as well.

The Hon'ble Delhi High Court has found that the plaintiff has filed a suit just a day before the release of the video series, whereas the defendants has initially published the release of series on twitter and also the plaintiffs have no concrete facts to establish that the plaintiff's rights have been infringed so therefore no case for granting an ad-interim injunction can be made out for plaintiff at this stage. The Hon'ble Court further stated that the character finds it root in mythological stories which existed since ages by finding its mention in scriptures as well and its details are also available on Wikipedia. The Court concluded by rejecting the application for an ad-interim injunction as there is no prima facie evidence to show that there is any apparent copyright violation of the "expression of idea" of the plaintiff.

TRADEMARK CASES:

ADIDAS AG (Plaintiff) VS KESHAV H TULSIANI & ORS (Defendants)

Case No.: CS(COMM) 582/2018, I.A. 14215/2019, I.A. 334/2020
Decided On: July 19, 2024.

The present suit has been filed by the plaintiff seeking to secure their rights of trademark "ADIDAS," against the use of an identical mark by the Defendants for various classes of goods, including textiles.

The plaintiff contended that the defendants were using an identical term "ADIDAS" for their textiles business in bad faith, with dishonest intent commenced. The defendant argued that the trademark "ADIDAS" was registered in a sincere and truthful manner. He says it's because of his love and affection for his sister, as was previously mentioned. In Sindhi, an older sister is called "ADI," and a devotee is called "DAS" when you have affection or admiration for them.

The Hon'ble Delhi High Court observed that it was incumbent upon the defendants to demonstrate that their adoption of the identical mark was honest and in good faith. However, they have failed to provide reliable justification or evidence to support this claim. Hence, the Hon'ble Court issued an injunction restraining the defendants and his entities from manufacturing, selling, or dealing in textile goods under the 'Adidas' marks or any similar names.

Girnar Food & Beverages Pvt. Ltd. (Appellant) vs The Registrar of Trade Marks & Anr. (Respondent)

Case No.: IPDTMA No. 80 of 2023
Decided On.: June 18, 2024

The present appeal was filed by the appellant against the order passed by the Registrar of Trade Marks, wherein the opposition filed by the plaintiff was rejected by the respondent and permitted the application by the respondent.

The issue arose when the use of the appellant's "JUMBO"

mark and the respondent's "HATHI MARKA UTTAM CHAI" mark, both of which consist of distinctive elephant devices. With regard to their "JUMBO" trademark, which features a device mark consisting of the word "JUMBO" surrounded by five artistic "elephants," the appellant claimed prior use and strong goodwill. The appellant contended that the respondent's mark was deceptively similar and can cause confusion among consumers since the respondent had applied for the registration of the mark "HATHI MARKA UTTAM CHAI," which decodes to Elephant Mark Superior Tea and includes an artistic 'elephant'.

The Hon'ble Calcutta High Court observed that the respondents mark could mislead consumers and the market as they would presume its association with the appellant. The Hon'ble Court noted that respondent no.1 has not considered the documents produced by the appellant and has wrongly concluded and the finding of respondent no. 1 are contrary to the documents available on records. Hence, the Hon'ble High Court has quashed the order passed by the Asst. Manager of Trade Marks and the certificate to the registration is also recalled.

THE INDIAN HOTELS COMPANY LIMITED (Plaintiff) vs SAGAR WADHWANI AND ORS. (Defendants)

Case No.: CS(COMM) 406/2024
Decided On: May 16, 2024

The present case has been filed by the plaintiff seeking permanent injunction against defendants for using the trademark which is identical and deceptively similar to the plaintiff's registered mark "GINGER".

The plaintiff has been engaged in the hospitality industry since very long under various brands, one of which is "GINGER" and registered trade mark owner of it under class 43. In April 2024 plaintiff came across the property under name "Ginger Tree" and "

" in Anjuna, Goa providing hospitality services which completely resembles with plaintiff's mark "GINGER". Upon further research and investigation, plaintiff found out that the defendant owns a website, social media presence (Facebook, Instagram), and also owns another property on same name in Candolim Goa.

The Hon'ble Delhi High Court observed that, the infringing marks are phonetically similar visually, structurally, and deceptively similar to the plaintiff's mark "GINGER" which amounts to trademark infringement. Considering the above, the Court finds that the Plaintiff has made out a prima facie case in his favour and in case no ex-parte ad-interim injunction is granted Plaintiff will suffer an irreparable loss; balance of convenience also lies in favour of the Plaintiff and against the Defendant. Defendants

are restrained from using "Ginger Tree"and" trademarks or any other deceptively similar trademark also directed to block access to the domain name of website and social media accounts.

SHIVKUMAR SHANKARRAO THAKUR AND ORS. (Appellants) vs SHIV BIRI MANUFACTURING CO.P.LTD. AND ANR (Respondents)

Case No.: C.A.(COMM.IPD-TM) 157/2021
Decided On: April 25, 2024

The present suit has been filed by the appellant challenging the Order dated October 11, 2017, passed by the Registrar of Trade Marks. The petitioner's opposition was based on a previous opposition against the respondent's registration application, which was rejected by the Registrar of Trade Marks. The respondent was given a geographical restriction to sell only in certain states such as States of West Bengal, Assam, Bihar, Uttar Pradesh, Punjab, Haryana, Delhi, and Rajasthan.

Plaintiff contended that since there were geographical limitations prescribed by earlier registration, the same may be prescribed for the impugned registration as well. The earlier registration was filed as "proposed to be used" basis, while the later registration user is claiming prior use since 1987, which is dishonest and cannot be allowed especially no evidence has been produced. The Respondent argued that the geographical limitation argument against the registered impugned mark is deemed impractical as the respondent's adopted mark differs significantly from the earlier registered mark, including the absence of a Lord Shiva image.

The Hon'ble Delhi High Court has observed that there is no similarity between the marks and the petitioner's case is not made out as there is distinctive dissimilarity between both the marks. The Hon'ble Court further dismissed the argument of petitioner regarding the issue of geographical limitation.

JAQUAR AND COMPANY PRIVATE LIMITED (Plaintiff) vs ASHIRVAD PIPES PRIVATE LIMITED (Defendant)

Case No.: CS(COMM) 670/2023, I.A. 18638/2023
Decided On.: April 01, 2024

In the present suit the plaintiff seeks an injunction restraining defendant form using impugned marks which are confusingly and deceptively similar to plaintiff's registered trademarks.
The plaintiff and defendant both are in the business of manufacturing and selling bathroom and sanitary fittings.
Plaintiff asserted that its registered trademarks "ARTIZE"and "ARTIZE – BORN FROM A" and Device marks

by using the deceptively and confusingly similar trademarks "ARTISTRY" and Device mark

The plaintiff further stated that it's another registered trademark "TIAARA" and Device

also infringed by the defendant's mark "TIARA".
The Hon'ble Delhi High Court recognized the defendant's usage of the marks "ARTISTRY" and "TIARA" in the course of business, indicating potential infringement. Moreover, the court noted the deceptive similarity between the defendant's mark "ARTISTRY" and the plaintiff's mark "ARTIZE", as well as the near-identical nature of "TIARA" to "TIAARA". These observations align with the criteria outlined in Section 29(1) of the Trade Marks Act, strengthening the plaintiff's case for infringement. The Hon'ble Court granted the plaintiff's request for an interim injunction, and directed the defendant to ensure that the impugned marks are wiped out from all websites, e-commerce sites, and social media pages, as well as from any real and virtual environments under the defendant's control.

A Quick Review: Draft Trademarks (1st Amendment) Rules, 2024

BACKGROUND:

On August 11, 2023, the parliament of India approved **"THE JAN VISHWAS (AMENDMENT OF PROVISIONS) ACT, 2023"** that came into force from 1st August 2024. It brought amendments to the Trade Marks Act, 1999 to decriminalize and rationalize offences and introduced new provisions for adjudication mechanism. On 1st July 2024, Department for Promotion of Industry and Internal Trade under Ministry of Commerce and Industry (DPIIT) has presented the **Draft Trademarks (1st Amendment) Rules, 2024** to denote significant amendments in Trade Marks Rules, 2017 in relation to the adjudicating process.

SUMMARY:

The Draft Rules provide for the appointment of an 'Adjudicating Officer' who shall hold inquiry and impose penalty for contravention.
This allows any person to file complaint in Form I to Adjudicating officer regarding any violation or breach under Section 107 of the Act.
Enquiry Procedure involve issuance of notice and the person against whom notice is issued shall be given opportunity to be heard and produce evidence. After hearing the matter, the adjudicating officer shall give order accordingly and his order can be appealed before the appellate authority under Section 112 within 60 days.

All the communications under these rules including notices, complaints, and appeals along with adjudication of certain penalties shall be deemed to be communicated electronically.

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