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In This Issue

- How AI Is Influencing Trademark Examinations Across The World?
- Delhi High Court Condemned Assistant Controller Of Patents
- IP Snippets
- Duxlegis' Attendance At INTA 2023 Annual Meeting In Singapore

HOW AI IS INFLUENCING TRADEMARK EXAMINATIONS ACROSS THE WORLD?



Divyendu Verma



Artificial Intelligence (AI) is revolutionizing various industries, and one area greatly impacted by AI is the trademark examination process. AI-powered systems are being developed to analyse trademark applications and assist trademark examiners, offering improved efficiency, accuracy, and cost-effectiveness. However, along with the benefits, there are also challenges and concerns associated with the use of AI in trademark examinations. This article explores how AI is influencing trademark examinations across different countries, highlighting both the advantages and potential drawbacks of this development.

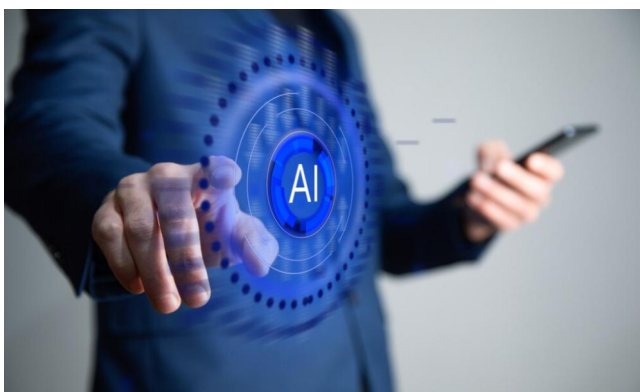


Image courtesy: Tiko33/Freepik

USA:

The United States Patent and Trademark Office (USPTO) has been at the forefront of developing and testing AI-powered tools to automate various tasks involved in trademark examination. One notable example is "Project REVEAL," which utilises machine learning algorithms to analyse and classify trademark applications. The objective of this project is to enhance the efficiency and accuracy of the examination process

by assessing factors such as mark similarity, associated goods or services, and channels of trade. By automating the identification of potentially conflicting marks, "Project REVEAL" reduces the workload of examiners and improves consistency and accuracy in trademark examination decisions. It serves as a valuable tool for streamlining the examination process and ensuring consistent and accurate decisions.

Another tool developed by the USPTO is the "Trademark Examination Tool" (TET), which allows examiners to search for and review relevant information from various sources, including the USPTO's own database and the internet. Powered by natural language processing and machine learning algorithms, the TET analyses search queries in context and provides examiners with relevant results. Additionally, it offers automated similarity searching capabilities to swiftly identify conflicting marks, minimizing the chances of confusion. By leveraging AI-based systems like TET, the USPTO enhances efficiency, accuracy, and consistency in trademark examination.

With the adoption of such AI powered mechanism, USPTO, in fact, is in advance stage of actively implementing AI technology in the examination process of trademark applications.

In terms of figures, a recent study by the World Intellectual Property Organization (WIPO) found that the number of trademark applications filed using AI technology has been increasing rapidly in recent years. In 2019, WIPO received 2,700 AI-related trademark applications, a significant increase from the 1,200 applications received in 2018.

CHINA:

China's state-run China National Intellectual Property Administration (CNIPA) has also embraced AI technology to review trademark applications in recent years. Their "Smart Examination System" employs AI to assist trademark examiners in their work. By utilizing natural

language processing and machine learning algorithms, this system analyses trademark applications and identifies potential issues, such as conflicting marks or descriptive terms. As a result, the average review time for a trademark application has been reduced, and examination decisions have become more accurate. Furthermore, CNIPA employs AI-based image recognition technology to aid in the examination process, ensuring consistent and accurate evaluation of proposed marks. The use of AI-based systems has significantly improved the efficiency, accuracy, and consistency of trademark examination in China.

CNIPA reported that the number of trademark applications processed by the Smart Examination System reached over 2.5 million in 2020, which is a significant increase from the previous year. The use of AI-based systems, such as the Smart Examination System, has helped to reduce review time, increase accuracy and improve consistency of examination decisions. Additionally, CNIPA reported a significant increase in the number of applications processed by the AI-based system in 2020.

JAPAN:

The Japan Patent Office (JPO) has also embraced AI systems for trademark application processing since 2017. Their "AI-based Trademark Search System" utilises machine learning algorithms, natural language processing, and image recognition technology to analyse and classify trademark applications. By leveraging these AI capabilities, the JPO improves the efficiency and accuracy of the examination process. The system aids examiners in identifying potential issues, such as conflicting marks or descriptive terms. The JPO has observed notable benefits from implementing AI, such as reduced review time and increased accuracy in examination decisions. In 2020, the JPO processed more than 370,000 trademark applications with the help of AI-based Trademark Search System. In 2021, the figure reached to more than 4,00,000 trademark applications. Additionally, the system has helped to increase the accuracy of examination decisions by using advanced algorithms to identify and analyse relevant information.

SOUTH KOREA:

South Korea based KIPO (Korean Intellectual Property Office) is also using artificial intelligence (AI) systems to assist in the processing of trademark applications. Their "AI-based Trademark Examination System" employs machine learning algorithms, natural language processing, and image recognition technology to analyse and classify trademark applications. Similar to other countries, KIPO's AI-based system improves

efficiency and accuracy in the examination process. By aiding examiners in identifying potential issues, the system ensures consistent and accurate evaluation of proposed marks. In 2019, the KIPO processed more than 200,000 trademark applications with the help of AI-based Trademark Examination System. And, in 2020, the number increased to 285,000. Additionally, the system has helped to increase the accuracy of examination decisions by using advanced algorithms to identify and analyse relevant information.

EPO:

The EPO has been using artificial intelligence (AI) systems to assist in the processing of trademark applications. The EPO's AI system, called "AI-driven classification" uses machine learning algorithms to analyse and classify trademark applications in order to improve the efficiency and accuracy of the examination process. The system uses natural language processing and image recognition technology to analyse proposed marks and identify potential issues, such as conflicting marks or descriptive terms.

In 2020, the EPO processed more than 90,000 trademark applications with the help of AI-driven classification system. In 2021, the number of trademark applications processed by AI reached to 1,70,000. The system uses machine learning algorithms to analyse images and identify similarities between proposed marks and existing marks, which can help to ensure that examiners are making consistent and accurate decisions when evaluating proposed marks.

The use of AI-based systems, such as the AI-driven classification system, has helped to reduce review time, increase accuracy and improve consistency of examination decisions. Additionally, the EPO reported a significant increase in the number of applications processed by the AI-based system in 2021.

Conclusion:

AI technology has revolutionised the trademark examination process worldwide. By automating repetitive and time-consuming tasks, such as searching and analysing trademarks, AI systems enhance efficiency, accuracy, and consistency in trademark examinations. This advancement translates into faster and more cost-effective trademark filing for businesses and entrepreneurs. As AI technology continues to evolve, it is expected to become an essential tool for organizations seeking to manage and protect their intellectual property rights.

DELHI HIGH COURT CONDEMNED ASSISTANT CONTROLLER OF PATENTS & DESIGNS FOR PASSING “CUT-PASTED” ORDER FOR REFUSAL OF PATENT APPLICATION

The Delhi High Court has recently observed a similar pattern in multiple cases dealt by the Indian Patent Office, where refusal orders have been passed without providing any proper reasonings for rejection and majorly containing cut and pasted matter.

The Hon’ble Court passed a judgement on March 14, 2023 in the matter of Dolby International AB vs The Assistant Controller of Patents and Designs, where the Hon’ble Court has observed that the refusal order (hereinafter referred to as “impugned order”) was almost cut-pasted without providing any proper reasoning of rejection. The patent application for the invention “CODING SYSTEMS” was rejected by the Assistant Controller of the Patents, on the basis that the application is non patentable under section 3 (k) of the Patents Act, 1970 and lacks inventive step in view of cited documents, and the submissions made by the Applicant was not persuasive. However, the appellant defended in the FER response stating how the present invention differs from the cited prior art documents mentioned in FER. Nonetheless, even after the oral argument during hearing proceedings and the written submissions by the agent of the appellant, the Assistant Controller refused the patent application under the provision of section 15 of the Patent Act. The Hon’ble Court has perused the matter and made the statement that “Any decision, whether to grant or refuse a patent has, therefore, to be informed by due application of mind, which must be reflected in the decision. Orders refusing applications for grant of a patent cannot be mechanically passed”.

Similarly, in Blackberry Limited Vs Assistant Controller of Patents And Designs case, the Hon’ble Court has again observed that the impugned order was passed without providing any proper reasoning and basis for refusal the patent application. The Hon’ble Court stated that “Such kind of mechanical, template and cut-and-paste orders cannot sustain and must be stridently discouraged”.

In the recent order dated May 12, 2023, for the matter of Synthes Gmbh Vs Controller General Of Patents, Designs And Trademarks And Anr, the patent application for “BONE FIXATION APPARATUS” was refused in a similar manner as stated in above mentioned cases. All the reasons/statements for refusal of the patent application were attached with copy/cut paste of claims and a copy of FER without providing any appropriate reasonings. Hence, the matter has been

remanded back to the Controller of Patents for reconsideration.

Perusing through all the above matters individually, the Hon’ble Court was shocked to see the trend of “cutting and pasting” paragraphs from the FER and not supplementing it with their own reason. The Hon’ble Court has stated that the Controller should be more careful and with proper application of mind while granting and refusing the patent application, considering it to be a very serious matter. The orders refusing patent applications for grant of a patent cannot be mechanically passed. The Hon’ble Court has stated that “If the passing of such orders persists, the High Court may be constrained to take more drastic steps, which might in the end result impact the officer who passes the order personally”. The Hon’ble Court has personally interacted with the Controller and expected them to be aware of the Patent Office functions and to undergo a course in passing of judicial orders which is to be conducted by the Delhi Judicial Academy. The Hon’ble Court is taking the efforts to increase the standard of orders that are to be passed by the Controller of Patent and Designs, for grant or refusal of the Patent applications.



IP SNIPPETS:

PATENT CASES:

MICROSOFT TECHNOLOGY LICENSING, LLC (Appellant) vs THE ASSISTANT CONTROLLER OF PATENTS AND DESIGNS (Respondent)

Case Number: C.A.(COMM.IPD-PAT) 29/2022
Decided on: 15th May, 2023

The present appeal has been filed by the appellant seeking inter alia, an order to set aside the refusal order issued by the respondent. The respondent has refused the patent application on the grounds of Section 3(k) of the Patents Act, 1970 and concluded that the invention is merely a set of computer executable instructions or algorithms, constituting a “computer program per se”. The Hon'ble Delhi High Court stated that if the subject matter is implemented on a general-purpose computer, but results in a technical effect that improves the computer system's functionality and effectiveness, the claimed invention cannot be rejected on non-patentability as “computer program per se”. Even a mathematical method or computer programme can be used in a technical process carried out by technical means, such as a computer comprising hardware or a suitably configured general-purpose computer. The Controller has erred in summarily rejecting the application by stating that it entails a set of algorithms to execute instructions in a pre-defined sequential manner. The interpretation of “per se” has been entirely overlooked by the Controller. In view of this, the Hon'ble Court allowed the appeal and also suggested to the Indian Patent Office to adopt a more comprehensive approach when assessing CRIs, taking into account technical effects and contributions provided by the invention rather than solely focusing on the implementation of algorithms and computer-executable instructions. A more thorough and accurate assessment of the invention's eligibility for patent protection should be conducted to ensure that deserving inventions are granted the protection they merit under the Act.

OPENTV INC (Appellant) vs THE CONTROLLER OF PATENTS AND DESIGNS AND ANR (Respondent)

Case Number: C.A.(COMM.IPD-PAT) 14/2021
Decided on: 11th May, 2023

The present appeal has been filed by the appellant seeking inter alia, an order to set aside the refusal order issued by the respondent. The respondent has refused the patent application on the grounds of Section 3(k) of the Patents Act, 1970. The Hon'ble Delhi High Court dismissed the appeal holding that the subject invention is directed purely towards a method of giving a media as a gift which is nothing but a method of selling a media for gift purposes and is hence a business method. However, the Hon'ble Court observed that there is a need to have a relook at the exclusions in Section 3(k) of the Patents Act in light of the recommendations of the 161st report of the Parliamentary Standing Committee. In the Parliamentary Standing Committee, it is stated that:

- *As per Section 3(k) of the Indian Patent Act, 1970, a mathematical or a business method or a computer programme or algorithms run by Artificial Intelligence are not patentable;*
- *The condition to have a human inventor for innovating computer related inventions (innovations by AI and machine learning) hinders the patenting of AI induced innovations in India, there is a need to review the provisions of both the legislations on a priority basis.*
- *It further recommends that the Department should make efforts in reviewing the existing legislations of The Patents Act, 1970 and Copyright Act, 1957 to incorporate the emerging technologies of AI and AI related inventions in their ambit. The Committee recommends the Department that the approach in linking the mathematical methods or algorithms to a tangible technical device or a practical application should be adopted in India for facilitating their patents as being done in E.U. and U.S. Hence, the conversion of mathematical methods and algorithms to a process in this way would make it easier to protect them as patents.”*

From these recommendations, the Hon'ble Court stated that a large number of inventions in emerging technologies including by SMEs, start-ups and educational institutions could be in the field of business methods or application of computing and digital technologies. There is a need to have a relook at the exclusions in Section 3(k) of the Patents Act, 1970, in view of the growing innovations in this space. As the Parliamentary Committee Report referred to above recommends, the need to consider the march of technology in the digital space, is an urgent one, so that patent law is not outpaced and patenting itself does not become irrelevant in the years to come.

ADAMA MAKHTESHIM LTD (Appellant) vs THE CONTROLLER OF PATENTS (Respondent)

Case Number: C.A.(COMM.IPD-PAT) 167/2022
Decided on: 1st May, 2023

The present appeal has been filed by the appellant seeking inter alia, an order to set aside the refusal order issued by the respondent. The respondent has refused the patent application on the grounds that claim specifications do not fulfil the



criteria laid down under Section 10(4)(a) of the Act. The Hon'ble Delhi High Court observed that during hearing proceedings, the patent application has been rejected only on one ground, without addressing the other objections. The Hon'ble Court also said that the Controllers should examine all grounds of objection while deciding an application, even if the application is found to be non-patentable on any one of the preliminary or technical grounds.

ROSEMOUNT INC (Appellant) vs DEPUTY CONTROLLER OF PATENTS AND DESIGNS (Respondent)

Case Number: C.A.(COMM.IPD-PAT) 97/2022
Decided on: 28th April, 2023

The present appeal has been filed by the appellant under Section 117-A of the Patents Act, 1970 impugning the refusal order dated passed by the respondent on the grounds on the lack of inventive steps under section 2(1)(j) and Section 2(1)(ja) without providing any reasonings of how the subject patent is covered by the cited prior art documents. The Hon'ble Delhi Court stated that the refusal order of the patent application of the appellant is set aside and the matter is remanded back to the Patent Office for fresh consideration to take into account the material already on record and more particularly, the submissions filed on behalf of the appellant with regard to the cited prior arts. The Patent Office shall endeavour to pass a reasoned order taking into account all the relevant considerations within four months from the date of order.

appellant's mark. The respondent no. 2 is the domain name registrar of the impugned website. The respondents illegally use the appellant's mark. The Hon'ble Delhi High Court observed that the respondent no.1 has registered the impugned website with the sole purpose of directing traffic of legitimate consumers by deceiving them into believing that the impugned website is associated with the appellant. Further, the respondent no.1 is earning revenue through advertisements on the parked impugned website and soliciting to offer the website for a large sum of money. The acts of the respondent no.1 amount to infringement of the well-known trademark of the appellant and passing off the services of the respondent no. 1 as that of the appellant. Such acts of the respondent no.1 led to tarnishment of the appellant's mark. In view of this, the Hon'ble Court has passed the order in favour of the appellant.

PUMA SE (Appellant) vs ALIKA HEALTHCARE PVT. LTD (Respondent)

Case Number: CS(COMM) 61/2021
Decided on: 8th May, 2023

The present suit has been filed by the appellant alleging infringement of the appellant's registered and well-known trademark "PUMA", for manufacturing and selling pantoprazole tablets under the marks PUMA-DSR and PUMA-40. The Hon'ble Delhi High Court stated that this is a clear prima facie case of infringement of the appellant's registered mark and the suit is entitled to be decreed. The Hon'ble High Court entitled decree of permanent injunction restraining the respondent from using the mark PUMA or any other mark which is identical or deceptively similar to the appellant's registered mark PUMA in respect of pharmaceutical products or any other product.



 **TRADEMARK CASES:**

INFINITI RETAIL LIMITED (Appellant) vs CROMA THROUGH ITS PROPRIETOR & ORS. (Respondent)

Case Number: CS(COMM) 71/2022
Decided on: 12th May, 2023

The present suit has been filed by the appellant seeking relief of permanent injunction restraining the respondent from infringing the trademark, passing off and other ancillary reliefs. In this case, the appellant has a well-known mark "CROMA" and is registered in several classes. The respondent no. 1 is the owner of the domain name www.croma.in that contains the



KNITPRO INTERNATIONAL (Appellant) vs EXAMINER OF TRADE MARKS (Respondent)

Case Number: C.A.(COMM.IPD-TM) 57/2021
Decided on: 03rd May, 2023

The present appeal has been filed by the appellant against the refusal order passed by the Senior Examiner of Trademarks. In this case, the appellant had filed the subject mark in Class 26, which had been refused by the respondent on the grounds that the trademark 'Device of Keel' is descriptive. The Hon'ble Court observed that the subject mark presents a pattern on the surface of a knitting needle and is capable of being registered as a trademark, as it is distinctive and capable of distinguishing the goods of one person from another. The appellant already has multiple registrations for shapes of knitting needles as well as of patterns on the surface thereon. Further, during proceedings in the Court,

the respondent's objection on lack of clarity relating to the depiction of the subject mark is based on a low-quality image of the mark in question. The pictures of the subject mark contained in the appellant's written submission, as shown to Court, are decidedly clear. In light of this, the Court allowed the appeal and directed the Trade Marks registry to process the registration application and advertise the subject mark within 3 months from the date of the order.

SUN PHARMA LABORATORIES LTD (Appellant) vs CIAN HEALTHCARE LTD & ANR. (Respondent)

Case Number: C.O. (COMM.IPD-TM) 723/2022
Decided on: 1st May, 2023

The present petition has been filed by the appellant under Section 57 of the Trade Marks Act, 1999 seeking cancellation of the mark “MGalin” in class 5. The appellant has a registered and well-known trademark “Maxgalin”. The respondent no. 1 has registered the mark “MGalin” on the basis of a false user claim. The Hon'ble Delhi High Court found that the respondent's mark “MGalin” is deceptively similar to the appellant's mark “Maxgalin”. Further, the respondent's mark is a dishonest attempt to trade upon the goodwill and reputation of the petitioner. Therefore, the aforesaid registration granted in favour of the respondent no. 1 is liable to be cancelled under Section 57 of the Trade Marks Act, 1999. The Hon'ble Court also directed the respondent no. 2, Trade Marks Registry, to remove the impugned mark “MGalin” from the register of Trade Marks.

SHELL BRANDS INTERNATIONAL AG (Appellant) vs THE REGISTRAR OF TRADE MARKS (Respondent)

Case Number: C.A.(COMM.IPD-TM)27/2021
Decided on: 28th April, 2023

The present appeal has been filed by the appellant against the refusal order passed by the Registrar of Trade Marks. In this case, the appellant had filed the mark in Class 4 for the drum bearing colour combination of red and yellow and had only claimed rights in the said combination of the colour and not in the device of drum. The said mark had been refused by the respondent on the grounds of Sections 9 and 11 of the Trade Marks Act and the user affidavit was not submitted by the appellant after giving discretion to call upon an applicant to file the same. The Hon'ble Delhi High Court observed that the respondent has not provided any similar or identical earlier trademarks. Further, the order has simply reproduced the language of Section 9(1)(b) without

stating as to how the impugned mark falls under any of the grounds provided in Section 9(1)(b). Also, the Hon'ble Court stated that there is no mandatory requirement for an applicant to file a user affidavit and in the present case, it is an admitted position that the Registrar never called upon the applicant to file a user affidavit. In light of this, the Hon'ble Court allowed the appeal and directed the Trade Marks registry to advertise the subject mark within 3 months.



COPYRIGHT CASE:

Indian Performing Right Society Limited (Appellant) vs Rajasthan Patrika Pvt. Ltd. (Respondent)

Case Number: INTERIM APPLICATION NO.1213 OF 2022 IN COMMERCIAL IP SUIT NO.84 OF 2022
Decided on: 28th April, 2023

The appellant has approached the Hon'ble Bombay High Court seeking interim reliefs against the respondents in these suits, primarily on the ground that amendments brought into effect from 21.06.2012 in the Copyright Act, 1957, have completely changed the legal framework concerning the rights of authors of original literary, dramatic, musical and artistic works. The Hon'ble Bombay High Court stated that the appellant has a right to claim royalties in respect of literary and musical works exploited as part of sound recordings or in cinematograph films. The Hon'ble Court also stated that the communication of the sound recording to the public on each occasion amounts to the utilisation of such underlying literary and musical works, in respect of which the authors have a right to collect royalties.



OTHER CASE:

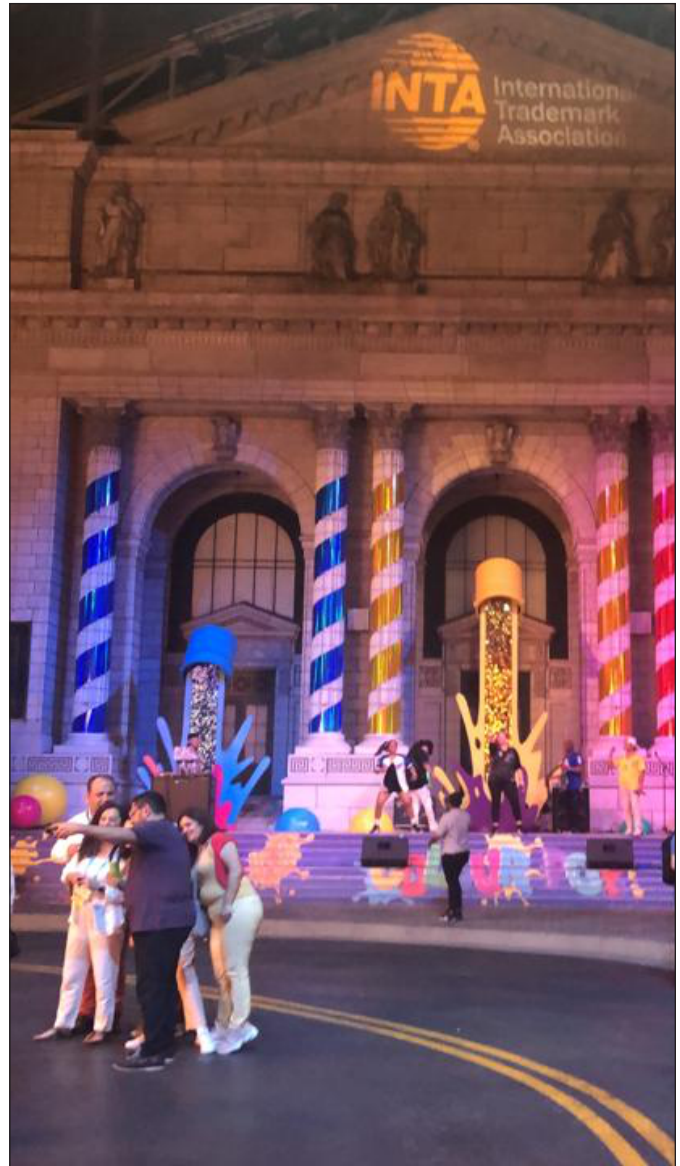
Heinz creates a label for protecting from ketchup fraud

Heinz has identified an exact pantone colour code of its ketchup and created a border around the label of the same colour code so that customers can easily identify if it is truly Heinz. If the colour on the label does not match with that of the ketchup, customers can easily identify that the ketchup is not the original Heinz Tomato Ketchup.



DUXLEGIS' ATTENDANCE AT INTA 2023 ANNUAL MEETING IN SINGAPORE

Adv. Divyendu Verma, the Managing Partner of DuxLegis, recently attended the INTA Annual Meeting 2023 held in Singapore from May 16-20. This prestigious conference brought together intellectual property professionals from across the globe. Our participation allowed us to engage with industry experts, expand our professional networks, and gain valuable insights into the latest developments in trademark law. The event provided an exceptional platform for stimulating discussions, educational sessions, and international networking opportunities, all of which contributed significantly to our professional growth. With great enthusiasm, we eagerly await the INTA next Annual Meeting in Atlanta, which promises to provide further opportunities for growth and collaboration within the intellectual property community.





902, Kamdhenu Commerz, Sector - 14, Kharghar, Navi Mumbai - 410210. MH, INDIA
+91 83739 80620 / +91 98926 44872
info@duxlegis.com

www.duxlegis.com

Editorial Board

Editor-in-Chief
Pramod Chunchuwar



Consulting Editor
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Designer
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