MANU/TN/0295/2014

Equivalent Citation: 2014-2-LW874, MIPR2014(2)57

IN THE HIGH COURT OF MADRAS

C.S. No. 19/2006

Decided On: 19.03.2014

Appellants: **Venkatraman Das**
Vs.
Respondent: **V.N.S. Innovations Pvt. Limited and Ors.**

Hon'ble Judges/Coram:
Aruna Jagadeesan, J.

Counsels:
For Appellant/Petitioner/Plaintiff: Ms. Sumitha Vibhu

For Respondents/Defendant: Mr. R. Sathish Kumar-D1

Case Note:
Patent - Infringement - Rendition of accounts - Whether Plaintiff's claim that there has been an infringement of its patent is sustainable and that is it is entitled for rendition of accounts for period under dispute - Held, a patent is granted only for an invention, which must be new and useful and should have novelty and utility. However there was nothing new in Plaintiff's patent. Plaintiff was merely camouflaging a product whose discovery was known throughout world and trying to enfold it in their specification. In any event, period of patent was also already over and claim of Plaintiff became infructuous. Plaintiff could not claim any proprietary over Defendant's product and consequently, rendition of accounts could not be granted.

JUDGMENT

Aruna Jagadeesan, J.

1. This Civil Suit is filed to pass a Judgment and Decree, (a) granting permanent injunction restraining the defendants, their servants, agents or anyone claiming through them from in any manner infringing the plaintiff's Registered Patent under the title Disposable Armpit Perspiration Pad by manufacturing and selling Disposable Armpit Perspiration Pad either under the Trademark SWEATEX or any other mark whose Patent is similar to that of the plaintiff's Registered Patent, (b) directing the defendants to surrender to the plaintiff the entire stock of unused offending Disposable armpit perspiration pad bearing the trade mark SWEATEX or any other mark, (c) directing the defendants to render a true and faithful account of the profits earned by the defendants through the sale of the products and directing payment of such profits to the plaintiff for the infringement committed by the defendants and (d) directing the defendants to pay to the plaintiffs the cost of the suit. The case of the Plaintiff as set out in the plaint is as follows:-

> a. The plaintiff is the original inventor of the patent relating to Disposable Armpit Perspiration Pad. The invention of such armpit perspiration pad is comprising of a oval shaped perspiration observing membrane mounted on a moisture proof bearer element. It is used to observe the armpit perspiration

and at the same time, to reduce the damage to the garment. The plaintiff obtained Patent Registration No. 181248 dated 21.5.1993 and the same is periodically renewed. The invention made by the plaintiff is very unique and no one in the world has invented the same or similar product.

b. The plaintiff has been approaching the various institutions and industries and other Government Departments to establish a factory to manufacture the device. Coming to know about the unique invention and its use, the first defendant has commenced manufacturing identically similar perspiration pads under the trade mark SWEATEX at China and commenced the sale in India. The product and the trade mark is a virtual copy of the plaintiff's registered patent. The second defendant is a seller of the offending product in the city of Chennai. The plaintiff, issued a notice dated 14.7.2005 to stop production and marketing of the same, for which, the first defendant gave an evasive reply. The defendants 1 and 2 have no manner of right, title or interest to manufacture and sell the plaintiff's disposable armpit perspiration pad and such manufacturing and selling amount to infringement of the patent rights of the plaintiff. Hence, this civil suit has been filed for the reliefs as stated above.

2. In the Written Statement filed by the 1st Defendant, it is averred as follows:-

a. The suit is not maintainable and this court has no jurisdiction to entertain the suit. The second defendant is arrayed only to invoke the jurisdiction of this court. The first defendant never appointed the second defendant either as a dealer or as a distributor for the city of Chennai. The plaintiff, not having commenced his manufacturing, there is no cause of action for the suit. The alleged invention is not new, but in vogue for many years. The second defendant approached the first defendant and sought to become a dealer of the first defendant's products. On receiving a sum of Rs. 300/-, the first defendant sent six pieces of SWEATEX by courier as sample and it is not a commercial sale. The plaintiff had set up the second defendant only to make a trap purchase and thereby to invoke the jurisdiction of this court. The first defendant's commercial activity is confined to Andhra Pradesh and has not sold its products under the name UNDER ARM GARMENT LINER. The patent alleged to have obtained by the plaintiff is invalid and liable to be revoked.

b. Armpit Perspiration Pad is well known for more than 100 years in the market and there is no nothing new or novel to invent the same. Patent for armpit perspiration pad was granted on 1.11.1870 under US patent No. 108908 and in the name of Ms. Hotchkiss. Several other patents for armpit perspiration pad have also been granted under the US Patterns in 1980's and 1990's of the last century. The plaintiff has copied the said patent and has registered as if it is his own invention. The Plaintiff has not even produced a single absorbent pad for commercial sale. The plaintiff has failed to disclose prior art and prior patents granted in respect of absorbent pads. Having obtained registration in 1993, the patent remained unutilised for more than 13 years and the suit is filed only to coerce and extract money from the defendant. Even assuming that the plaintiff is entitled to the patent, the defendant has not infringed the patent right of the plaintiff. The product is a modern product comprising various layers made of different materials. The product of the defendant is a super absorbent and it contains five layers of materials, which absorbs moisture from the skin and helps to keep away the perspiration from the skin.

c. The defendant's garment liner contains ALOE, Vitamin-E which prevents perspiration. It also contains deodoriser, which gives fresh smell and also contains anti bacterial agents. Therefore, the plaintiff's patent and the defendant's product are not identical. Since the plaintiff has approached this court with ulterior motive, the first defendant is entitled for damages to the tune of Rs. 1,00,000/-. The third defendant is under obligation to revoke the patent granted to the plaintiff, as it has been obtained by misrepresentation.

3. The second defendant and the third defendant did not appear and file any written statement.

4. Based on the above said pleadings, the following issues were framed:-

1. Whether the product viz., A disposable armpit perspiration pad is not the invention of the plaintiff, but it was available in the open market for over 100 years?

2. Whether the registration of the patent A disposable armpit perspiration pad under No. 181248 by the third defendant, viz., the Controller General of Patents, Patent Office, Chennai is legally is justified or not and whether the counter claim of the defendant praying for cancelling/removing/expunging the said registration by D3 is tenable?

3. Whether the plaintiff has been using the said patent A disposable armpit perspiration pad before such registration and after such registration?

4. Whether the plaintiff is entitled to permanent injunction restraining the defendants above named by themselves, their servants, agents or anyone claiming through them from in any manner infringing the plaintiff's registered patent under the title Disposable armpit perspiration pad by manufacturing and selling Disposable armpit perspiration pad either under the trade mark SWEATEX or any other mark whose patent is similar to that of the plaintiff's registered patent Disposable armpit perspiration pad, either by manufacturing, selling or offering for sale?

5. Whether the defendant is liable to surrender to the plaintiff the entire stock of unused offending Disposable armpit perspiration pad bearing the trade mark SWEATEX or any other mark?

6. Whether the first defendant is entitled to recover damages to the tune of Rs. 1 lakh from the plaintiff?

7. To what relief?

5. In the written statement, the first defendant has raised an issue that this court has no jurisdiction to try the suit on the ground that the plaintiff is having its registered office at Trivandrum, Kerala and the first defendant is having its registered office and their commercial sale of the disputed products confined to Andhra Pradesh and they have not appointed the second defendant either as their agent or distributor for their product SWEATEX. According to the 1st defendant, the 2nd Defendant enquired about the product of the first defendant and asked for samples and the same were supplied and the alleged trap purchase is only a set up by the plaintiff to bring a cause of action within the jurisdiction of this court.

6. However, no preliminary issue was raised immediately after filing of the suit and the question of jurisdiction was not even framed as an issue.

7. However, arguments were advanced on the question of jurisdiction and the first defendant relied on decisions reported in MANU/TN/0699/2013 : 20134 MLJ 513 (F. Hoffman La Roche vs. Intas Bio Pharmaceuticals) and AIR 1981 P&H 17 (H.P.H.P. Vs. M.M. Breweries)

8. According to the defendant, a sporadic sale does not amount to commercial sale and therefore, this court has no jurisdiction. As far as the question of jurisdiction is concerned, it was not raised as a preliminary issue. The case reported in MANU/TN/0699/2013 : 20134 MLJ 513 cited supra relates to an appeal against an order passed in an application, which had been filed to revoke the leave granted to the plaintiff to institute a suit before this court. The said application was dismissed. In appeal, the Division bench considered the well settled position that the sporadic sale does not constitute commercial sale and held that this court has no jurisdiction. The case referred to in AIR 1981 P&H 17 cited supra, is a case decided on a preliminary issue whether the courts have jurisdiction to try the suit.

9. In any event, a counter claim has been made, evidence has been recorded on other issues and it will be unnecessary to go into the question of jurisdiction at this stage, as the defendant has not persuaded this court to take the issue of jurisdiction as preliminary issue before going to trial. It has to be presumed that the defendant had subjected himself for jurisdiction of this court.

10. It is also pertinent to note that in a case under patent law, the right to patent comes to end after 20 years of registration and in this case, it has come to an end in 2013. The prayer of injunction cannot be granted and the question before this court is whether the plaintiffs is the registered owner of the patent and if so, whether he is entitled for rendition of accounts for the period under dispute.

11. In so far as the counter claims made by the 1st Defendant to direct the third defendant to revoke the registration of patent and for damage of Rs. 1,00,000/- are concerned, the former claim becomes infructuous and the claim of damages alone has to be decided. Therefore, issue No. 1 and issue No. 6 alone will be relevant. However, issue No. 4 has to be modified in relation to the prayer C of the plaint, which is for rendition of accounts.

12. It is the case of the plaintiff that he is the patent right holder of a product Disposable Armpit Perspiration Pad. The registration in year 1993 and the subsequent renewal are not denied. In 2005, the 1st defendant commenced selling his product of DISPOSABLE UNDER ARM GARMENT LINER under the trade name SWEATEX. This f is also not denied. It is also admitted that the plaintiff has not manufactured and sold the above said disposable armpit perspiration pad under any trade mark, till the filing of the suit. However, he has registered a product name SINORETA for his DISPOSABLE ARMPIT PERSPIRATION PAD.

13. According to the 1st defendant, the concept of disposable armpit perspiration pad or under arm perspiration pad is not a new invention, but it is in use for more than 100 years. On the other hand, according to the plaintiff, his patent is a new invention, which has an inventive step of improved version and therefore, it is his patent.

14. Reiterating the above arguments, the learned counsel for the plaintiff would submit that the invention of the plaintiff contains five layers, which suits tight fitting garments of tropical countries, for which there is no prior art. It is submitted that the 1st defendant had copied the patent of the plaintiff and they have exploited the same and there is not even a denial of infringing the plaintiff's patent. Since the plaintiff's inventive patent has been infringed by the first defendant, the claim of the Plaintiff is

that the first defendant is liable for rendition of account to quantify the profit, for which the plaintiff is entitled to. The learned counsel relied on the following case laws:-

1. MANU/PR/0154/1929 : AIR 1930 PC 1 (Canadian General Electric Co. Ltd. vs. Fada Radio Limited)

2 . MANU/MH/0064/1969 : AIR 1969 Bom 255 (Farbewerke Hoechst vs. Unichem Laboratories and Ors.)

3 . MANU/SC/0737/1986 : 1986 (6) PTC 195 (SC) (Monsant Company vs. Coramandal Indag Products (P) Limited

4. MANU/DE/1880/2009 : 2009 (41) PTC 260 (Del) (Chemtura Corporation vs. Union of India and Ors.)

(32) PTC 30 (Del) (Pfizer Products Inc vs. Rajesh Chopra and Ors.)

6. MANU/DE/2328/2007 : 2007 (35. 205) PTC 377 (Del) (Hindustan Lever Limited vs. Lalit Wadhwa and Anr.)

7. MANU/DE/2490/2009 : 2009 (41) PTC 207 (Del) (AGC Flat Glass Europe SA vs. Anand Mahajan and Ors.) The learned counsel pointed out that though prayer A and B have become infructuous for the infringement of the patent right of the plaintiff, the defendant has to render true and faithful accounts. The learned counsel pointed out that the plaintiff's patent was an invention and such an invention has not been used in India or elsewhere prior to the grant of the patent.

15. On the contrary, Mr. R. Sathish Kumar, learned counsel for the 1st defendant submitted that the plaintiff must prove that it is a new invention and under Section 64 of the Patent Act, the defendant can bring material to show that the patent is anticipated by a prior art and the same is not new or novel. The learned counsel also pointed out that the court has to consider whether the invention is obvious or ordinary workshop improvement of an old subject matter and does not constitute an invention. The learned counsel pointed out that the suit is liable to be dismissed, as it has become infructuous and the patent is invalid and the defendant has not infringed any patent right. The learned counsel relied on the following case laws:-

1. PTC (suppl.) (1) 731 (SC) (Biswanath Prasad vs. Hindustan Metal)

2. MANU/MH/0038/1935 : AIR 1936 BOM 99 (Lallubhai vs. Chimanlal)

3 . MANU/MH/0064/1969 : AIR 1969 Bom 255 (Fabwerke Hoechst vs. Unichem Laboratories)

4 . MANU/DE/0034/1976 : AIR 1976 DEL 87 (Ram Narain vs. Ambassador Industries)

5. MANU/MH/0221/1983 : AIR 1983 Bom 144 (Press Metal Corp vs. Noshir Sorabhji)

16. This court heard the submissions of the learned counsel on either side and perused the materials available on record and gave its anxious considerations.

17. The fundamental principle of Patent Law is that a patent is granted only for an invention, which must be new and useful and should have novelty and utility. A

patent is a monopoly, conferred by a statute as a consideration for the inventor, for a given number of years. Section 2(j) and (j-a) of the Act reads as follows:-

> (j) invention means a new product or process involving an inventive step and capable of industrial application;
>
> (ja) inventive step means a feature of an invention that involves technical advance as compared to the existing knowledge or having economic significance or both and that makes the invention not obvious to a person skilled in the art.

18. The plaintiff claims a new invention for the patent of a product 'Disposable armpit perspiration pad'. He has obtained the patent under Ex. P. 1 and made five claims as under:-

> **1.** Disposable armpit perspiration pad, especially for use on tight fitting upper garments, comprising a substantially oval shaped perspiration absorbing member (4), mounted on a moisture-proof barrier element (2), the underside of said barrier element being provided with an adhesive strip(s) (3) or like other means so as to enable the pad to be firmly secured to that portion of the armhole/arm-sleeve of the garment which is in proximity to the armpit, a thin film of peel-off strip (1) for covering/protecting said adhesive strip(s), and a thin layer of cotton or absorbent cloth (5) provided over the absorbing member to keep the same in position.
>
> **2.** A pad as claimed in Claim 1, wherein small half rounds are cut off at the middle of the straight portions of the pad for perfect fitting of the pad to the garment.
>
> **3.** A pad as claimed in claim 1 or 2, wherein said absorbing member is parted or perforated (6) at the middle so as to enable snug-fitting of the pad under the armpit when the hand is kept down.
>
> **4.** A pad as claimed in any of the preceding claims 1 to 3, wherein one of the two straight portions of the pad is longer than the other.
>
> **5.** A disposable armpit perspiration pad, especially for use on tight fitting upper garments, substantially as herein described and illustrated with reference to the accompanying drawings and a diagram of five layers has also been given.

19. According to the 1st defendant, it is not a new invention, but it is in use for more than 100 years and patented in United States of America as early as 1870.

20. Ex. D3 is an extract from the website of US patent office. One Mr. Hotchkiss of Connecktkit was granted for an improved dress shield in 1870. It is stated as under:-

> Shields have here to for been made of India rubber, to be inserted within the dress and beneath the arms, to prevent perspiration passing into the fabric of the dress and injuring the skin.
>
> Therefore, an invention of preventing perspiration passing into the fabric of dress is not new. However, an useful improvement or inventive step, as mentioned in Section 2(ja), is also a new invention. Ex. D. 1 is a patent certificate granted in the year 1985, which is also for an under arm perspiration pad. Therefore, the patent is publicly known and publicly used. Section 64, 1(d) and 1(f) of the Patent Act reads as follows:-

S. 64: Revocation of patents:-(1) Subject to the provisions contained in this Act, a patent, whether granted before or after the commencement of this Act, may, 1[be revoked on a petition of any person interested or of the Central Government by the Appellate Board or on a counter claim in a suit for infringement of the patent by the High Court] on any of the following grounds that is to say

.....

(d) that the subject of any claim of the complete specification is not an invention within the meaning of this Act;

.....

(f) that the invention so far as claimed in any claim of the complete specification is obvious or does not involve any inventive step, having regard to what was publicly known or publicly used in India or what was published in India or elsewhere before the priority date of the claim:

> Therefore, the party claiming patent should specify as to what particular features of his device distinguish it from those which had gone before and show the nature of improvement which is said to constitute the invention. The improvement should effect a new and very useful addition to the existing state of knowledge.

21. The claim of the plaintiff is that the new invention is an improvement to use in tight fitting garments, which are useful in tropical countries. However, the usefulness or utility has not been stated. A comparison of claim made in Ex. D. 1 and Ex. P. 1 would show that it is the same claim with modified wordings. Therefore, there is nothing new in the plaintiff's patent. The Plaintiff was merely camouflaging a product whose discovery was known throughout the World and trying to enfold it in their specification. In any event, the period of patent is also already over and the claim of the plaintiff becomes infructuous. In so far as rendering of accounts is are concerned, in view of the conclusions arrived at above, the plaintiff cannot claim any proprietary over the defendant's product and consequently, the rendition of accounts cannot be granted.

22. In so far as the counter claims are concerned, though the plaintiff's patent is liable to be revoked due to lapse of time it has become infructuous. The 1st defendant claimed damage of Rs. 1,00,000/-. When the suit was filed, the patent was registered and therefore, the suit filed by the plaintiff cannot be said to be malicious or abuse of process of court. Therefore, the counter claim of damages cannot be granted to the first defendant. The issues are answered accordingly. In the result, this civil suit and as well as the counter claim are dismissed. No costs.