

INTELLECTUAL PROPERTY APPELLATE BOARD

Guna Complex, Annexe-I, 2nd Floor, 443, Anna Salai, Teynampet, Chennai – 600 018

ORA/31/2015/PT/CH

FRIDAY THIS THE 11TH DAY OF MARCH, 2016

Hon'ble Shri Justice K.N. Basha
Hon'ble Shri D.P.S. Parmar

... Chairman
... Technical Member (Patents)

M/S MYLAN LABORATORIES LTD.,
REPRESENTED BY ITS AUTHORISED SIGNATORY
MR. SANDEEP K. RATHOD,
PLOT NO.34-A, ANRICH INDUSTRIAL ESTATE,
BOLLARAM (V), JINNARAM (M),
MEDAK DISTRICT, HYDERABAD

... Applicant

(Represented by – Dr. Feroz Ali)

Vs.

1. *ICOS CORPORATION,
OF ELI LILLY AND COMPANY,
LILLY CORPORATE CENTER,
INDIANAPOLIS, IN 46285, USA,
REPRESENTED BY ITS AGENT
M/S DE PENNING & DE PENNING,
120, VELACHERY MAIN ROAD,
CHENNAI – 600 032.
(Cause title amended as per order dated 11/03/2016)

2. THE CONTROLLER OF PATENTS,
INTELLECTUAL PROPERTY OFFICE BUILDING,
GST ROAD, GUINDY,
CHENNAI- 600032.

... Respondents

(Represented by – Mr. A. Vijay Anand)

ORDER (No.29 of 2016)

Hon'ble Shri Justice K.N. Basha, Chairman

Dr. Feroz Ali, learned counsel for the applicant and Mr. A. Vijay Anand, learned counsel for the first respondent are present today.

2. The present application is filed for seeking the relief of revoking the impugned patent No.224314 and remove the same from the register of Patents and award costs to the applicant.

3. Dr. Feroz Ali, learned counsel for the applicant would submit that the learned counsel for the first respondent herein has already sent a communication

dated 09/02/2016 to the IPAB Registry informing that the first respondent is the patentee of the impugned patent No.224314 and they no longer has business interest in maintaining the patent due to the presence of many generic products on the market in India and they do not intend to maintain the impugned patent any longer and offered to surrender the patent before the Indian Patent Office under section 63 of the Indian Patents Act. The learned counsel would also submit that they have also enclosed a communication dated 09/02/2016 addressed to the Controller of Patents, Patent Office, Chennai. The learned counsel for the applicant would contend that the present ORA has been filed for revocation of the impugned patent by raising the grounds namely

- (1) That the invention as claimed in the impugned patent is not an invention within the meaning of the Patents Act [section 64(1) (d)];
- (2) That the invention as claimed in the impugned patent is obvious or does not involve any inventive step [section 64(1)(f)];
- (3) That the complete specification does not sufficiently and fairly describe the invention and the method by which it is to be performed, that is to say, that the description of the method or the instructions for the working of the invention as contained in the complete specification are not by themselves sufficient to enable a person in India possessing average skill in, and average knowledge of, the art to which the invention relates, to work the invention [section 64(1)(h)];
- (4) That the scope of any claim of the complete specification is not sufficiently and clearly defined or that any claim of complete specification is not fairly based on the matter disclosed in the specification [section 64(1)(i)];
- (5) That the subject of claims in the impugned patent is not patentable under the Act [section 64(1) (k)];
- (6) That the First Respondent failed to disclose to the Controller the information required by section 8 or has furnished information which in any material particular was false to its knowledge [section 64(1)(m)].

4. Dr. Feroz Ali, learned counsel for the applicant would further submit that the first respondent in their communication dated 09/02/2016 sent to the Registry of IPAB has categorically stated that they no longer has business interest in maintaining the patent due to the presence of many generic products on the market in India and further stated that they do not intend to maintain the impugned patent any longer and they have offered to surrender the impugned patent before the Indian Patent Office under section 63 of the Indian Patents Act, 1970 and they have also produced the letter addressed to the Patents Office to that effect. It is contended by the learned counsel for the applicant that the first respondent has not filed any counter statement to the present application disputing the statements and grounds raised in the application and therefore instead of allowing the first respondent to proceed with their surrender petition before the Patent office this Bench may allow the application and revoke the impugned patent. It is further contended that unless and until the Controller accept the offer of surrender by filing the procedure contemplated under section 63 of the Patents Act, 1970 the impugned patent would remain in existence and continue to be in the register. The learned counsel would also contend that in the absence of any resistance or denial of the grounds raised in the application and evidence enclosed by the applicant the impugned patent become invalid and as such the impugned patent may be ordered to be revoked forthwith. The learned counsel in support of his contention would also place reliance on the decision reported in (1) [1999] F.S.R. 284 in the matter of Connaught Laboratories Inc.'s Patent (U.K. Patents Court's decision) and (2) decision of U.K. Patent Office in the matter of Patent No.1527418 in the name of Wellworthy Limited and in the matter of an application for revocation thereof by Karl Schmidt GmbH.

5. Mr. Vijay Anand, learned counsel for the first respondent would submit that the present ORA is filed impleading the first respondent M/s Lilly ICOS LLC. but the first respondent has already assigned their rights by executing the assignment deed in favour of "ICOS Corporation" and they also sought for the

change of the applicant's name in the Patent Office as early as on 27/06/2011 and the same has been allowed changing the name as "ICOS Corporation". Therefore, it is submitted in the present application also that the name of the first respondent may be changed as above. The learned counsel for the applicant has no objection for the above said prayer.

6. Accordingly, the Registry is directed to amend the cause title of this ORA/31/2015/PT/CH deleting the earlier name of the first respondent and incorporating the present name of the first respondent as "ICOS Corporation".

7. Mr. Vijay Anand, learned counsel for the respondent would also submit that the first respondent has sent a communication dated 09/02/2016 to the IPAB Registry and to the Controller of Patents stating that they no longer has business interest in maintaining the patent and further offered to surrender the impugned patent under section 63 of the Indian Patents Act, 1970 before the Controller of Patents. The learned counsel for the first respondent has not made any submissions in respect of the contentions put forward by Dr. Feroz Ali, learned counsel for the applicant seeking for revocation of the impugned patent rather than allowing the first respondent to proceed with surrender proceedings before the Controller of Patents.

8. We have considered the submissions of both sides and also perused the communication dated 09/2/2016 sent to the IPAB Registry and another communication sent to the Controller of Patents, Patent Office, Chennai on the same date ie. on 09/02/2016.

9. The fact remains that the applicant has come forward with this application seeking for the revocation of impugned patent No.224314 standing as on date in the name of "ICOS Corporation." Now the first respondent has come forward with the categorical statement that they are no longer has business interest in maintaining the patent due to the presence of many generic products on the

market in India. It is better to incorporate their communication dated 09/02/2016 addressed to the Registry of IPAB as here under:-

“With reference to the subject Revocation, we state that we represent respondent No.1, the patentee of the patent under dispute ie. Patent No.224314. We bring to the notice of this Hon’ble Board that the respondent No.1 no longer has business interest in maintaining the patent due to the presence of many generic products on the market in India. Consequently, the respondent No.1 do not intend to maintain this patent any longer and has offered to surrender the patent before the Indian Patent Office under Section 63 of the Indian Patents Act, 1970. A copy of said letter to Patent Office is enclosed herewith for your ease of reference.

Under this circumstance, we see that it would be superfluous on the Board to expend its valuable time and effort on the present proceeding and we request the Board to pass suitable orders effecting the closure of revocation proceedings.”

10. Pursuant to the said communication they have also sent a communication dated 09/02/2016 to the Patent Office, Chennai under reference 195-2002/NS/ss. It is also relevant to incorporate the said communication sent to the Controller of Patents, Patent Office, Chennai via *e-filing* as here under :-

“With reference to the above mentioned patent, we would like to bring to your notice that the applicant no longer has business interest in maintaining this patent due to the presence of many generic products on the markets in India. Accordingly, applicant offers to surrender this patent No.224314 under the provision of Section 63 of the Patents Act. The prescribed fee of Rs. 5,000/- is paid through e-filing.

We hereby request you to accept the applicant’s offer to surrender the patent and pass suitable order effecting the closure of this patent.”

11. The reading of the first communication dated 09/02/2016 addressed to the IPAB Registry makes it crystal clear that they have no more business interest in the impugned patent No.224314 and further they have expressed in clear terms that they do not intend to maintain the impugned patent any longer.

12. It is also pertinent to note that the first respondent has not chosen to file the counterstatement disputing and denying the statements and grounds raised by the applicant in this ORA. It is seen that the applicant has raised specific grounds namely lack of invention, the impugned patent is obvious and does not involved in inventing the steps, the complete specification does not sufficiently described the invention, the impugned patent is not patentable under the Act and the first respondent failed to disclose to the Controller the information required by Section 8. We are constrained to state that all these grounds have not been disputed or contradicted by the first respondent by filing the counter statement. Therefore, we have no hesitation to hold that in the absence of filing any counter statement by the first respondent the applicant has established their case and as a result the impugned patent would become invalid.

13. We have incorporated the two communications dated 09/02/2016 sent to the Registry of IPAB and to the Patent Office by the first respondent herein. In the said two communications the first respondent has not only categorically stated that they have no business interest in maintaining the impugned patent and they have offered to surrender the impugned patent before the Indian Patent Office under section 63 of the Indian Patents Act 1970.

14. Under Section 63 of the Patents Act 1970 the procedure for surrender of patents is highlighted and section 63 reads here under :-

*“63. **Surrender of Patents** – (1) A patentee may, at any time by giving notice in the prescribed manner to the Controller, offer to surrender his patent.*

(2) Where such an offer is made, the Controller shall (publish) the offer in the prescribed manner, and also notify every person other than the patentee whose name appears in the register as having an interest in the patent.

(3) Any person interested may, within the prescribed period after (such publication), give notice to the Controller of opposition to the

surrender, and where any such notice is given the Controller shall notify the patentee.

(4) If the Controller is satisfied after hearing the patentee and any opponent, if desirous of being heard, that the patent may properly be surrendered, he may accept the offer and by order, revoke the patent.”

15. The readings of the above said provisions makes it abundantly clear that in the event of offer of surrender of a patent by a patentee, the Controller has to follow the procedure contemplated under section 63 of the Act. Therefore, as long as the said surrender proceedings are pending and unless and until the Controller accept the offer of surrender the impugned patent to be in existence and continued to be in the register. The instant application filed for revocation of the impugned patent has been filed as per provision under section 64 of the Indian Patents Act. As we have already pointed out the grounds raised by the applicant herein has not been disputed by the first respondent and more particularly the first respondent having clearly and categorically stated in their communication dated 09/02/2016 to the IPAB Registry and the Controller of Patents that they no longer has interest in the impugned patent and they are surrendering the impugned patent to the Patent Office and as such instead of allowing the Controller of Patents to follow the procedure contemplated under the section 63, as there is no legal impediment to revoke the impugned patent by this Bench and the impugned patent is liable to be revoked.

16. Dr. Feroz Ali, learned counsel for the applicant has also rightly placed reliance on two decisions of UK Patents Court and UK Patents Office reported in [1999] F.S.R.284. The U.K. Patents Court held in similar case as here under :-

“(1) Where a patentee offered to surrender his patent in the course of revocation proceedings in court, section 29 of the Patents Act 1977 provided that the patent remained in existence until the Comptroller decided to accept that offer. Until then it remained open to the court to order its revocation.

(2) On the basis of the pleadings and evidence, and in the absence of any resistance or argument in court from the respondent, the petition was well founded and the patent was invalid on the grounds pleaded.

(3) The patent would be ordered to be revoked forthwith, and the respondent ordered to discontinue or withdraw those parts of any foreign proceedings in which it sought to enforce the U.K. designation of the patent.”

In the second decision of the U.K. Patent office in the matter Patent No.1527418 in the name of Wellworthy Limited and in the matter of an application for revocation thereof by Karl Schmidt GmbH held here under :-

“Revocation of the patent is sought on the grounds of lack of novelty, obviousness and insufficiency.

The patentees have not filed a Counterstatement, and by their Agents’ letter dated 5 March 1981 indicated that they do not intend to contest the application and furthermore propose to allow the patent to lapse by non-payment of the renewal fee due on 27 July, 1981. Subsequently, the patentees have formally offered to surrender their patent, and no opposition to the surrender has been entered.

Under the provisions of Section 29 of the Patents Act, 1977, the acceptance by the Comptroller of an offer to surrender a patent does not result in the automatic termination of any revocation proceedings that may be in being, although it is clear that the rights existing prior to the date of acceptance of the offer are considerably impaired by the surrender.

In the present case, it is manifest that the revocation is to be treated as undefended and accordingly, in dealing with the issues raised, I must assume that the truth of every statement made by the applicants in their statement of cases has been conceded, unless it is contradicted by facts elsewhere in the documents filed.

Having reviewed the matter, I am satisfied that the applicants’ case at least in respect of prior publication and obviousness is of undoubted substance, and since in the circumstances the question of amendment does not arise, I therefore direct that the patent be revoked. It follows

that no further action is necessary in relation to the offer to surrender the patent.”

17. The principles laid down in the above said two decisions are squarely applicable to the issues involved in the instant matter in view of our earlier findings.

18. In view of the aforesaid reasons the present ORA is allowed. Consequently the Controller of Patents, Patent Office, Chennai is directed to remove the impugned patent standing in the name of the first respondent “ICOS Corporation” under patent No.224314 within a period of six weeks from the date of receipt of the order copy of this Bench. Consequently the surrender proceedings pending before the Controller of Patents becomes infructuous. No costs.

(D.P.S. PARMAR)
TECHNICAL MEMBER (PATENTS)

(JUSTICE K.N. BASHA)
CHAIRMAN

Reportable :Yes/No