IN THE HIGH COURT OF MIMOSA---AT THE CITY OF MIMOSA

CIVIL SUIT NO. 99/2000

DESIGN-A-FLOWER----------PLAINTIFF

VS

FLORALMANIA LTD----------DEFENDANTS
AND
STATE OF MIMOSA

SUBMISSION ON BEHALF OF THE DEFENDANT

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STATEMENT OF FACTS

Mr. Anther, a national of the island of Pollen is a scientist of the highest repute. He invents a molecular manipulative technology by virtue of which designer flowers can be created.

The technology which he refers to as "design- a- flower" enables a customer to order a desired design on any flower, for e.g., a striped, spotted and checked rose or even cartoon characters on tulips. Anther also sets up a company called “Design-a-Flower Ltd”.

Mr. Anther immediately applies for a patent through PCT route, both in Pollen as well as other countries. The breakthrough gets tremendous international publicity.

Soon enough the natural flowers that were once cherished were now ignored. Designer flowers became the latest fashion statement.

Stigma, a national of Mimosa, discovers that under the laws of his country, it takes four years for a patent application to be published and six years on an average for a patent to be granted. He discovers that the laws of Mimosa do not enable the, filing of an infringement action before the patent is granted, although damages can be claimed retrospectively from the date of publication of the contents of the specifications in the official gazette.

Therefore, using a series of designer plants, Stigma reverse engineers and announces a rival venture called “Floralmania Ltd” and comes up with a wider range of products.

Within a few months, FLO’s business in the country Mimosa takes up enormously.

Hence DAF sues FLO in the High Court of Mimosa.

STATEMENT OF JURISDICTION

The forum for the dispute is the High court of Mimosa city in the country Mimosa.

The High Court of Mimosa has the ordinary original jurisdiction to try and entertain suits arising out of intellectual property matters.

PRELIMINARY OBJECTION

1) Whether the suit filed by the Plaintiff (DAF) is maintainable.

ISSUES PRESENTED

2) Whether the Defendant has infringed the plaintiff's Patent right.

3) Whether the state of Mimosa is bound by international convention for the grant of patent with respect to life forms.

4) Whether the allegations made by the plaintiff with respect to unfair competition holds good in the instant case.

5) Whether patent will be granted for the proposed MMT considering the nature of the technology.

6) Whether there can be a grant of patent considering social, ethical and scientific factors.

7) Whether reform is a matter to be taken up by the legislature.

SUMMARY OF ARGUMENTS

It is submitted on behalf of the Defendant, Floralmania Ltd:

1) That the instant suit filed by the Plaintiff is premature because so long as patent is not granted, the Plaintiff cannot file a suit. Therefore the plaint is liable to be dismissed per se.

2 a) That the Plaintiff has no legal remedy in absence of patent rights. So this is a fit case where the maxim of Ubi Jus Ibi Remedium can be extended.

b) Although the Plaintiff is having loss of business and profit, since no legal right is in existence the maxim of Damnum Since Injuria can also be extended to the instant case.

c) That the Plaintiff had thorough knowledge regarding the substantive provision of law for the purpose of granting patent in the state of Mimosa. Inspite of that the commercially exploited their product in the market of Mimosa. This is a classic example, where the maxim of volunti non fit injuria is to be extended.

3) That the Plaintiff has not resorted to Unfair means of Competition by reverse engineering the plaintiff's product as in absence of valid Intellectual Property right, free copying is the rule.

4) That it is pre-mature to pressure that the patent will be granted considering the nature of the technology and considering the social, ethical and scientific factors.

5) That the laws of Mimosa regarding non-patentability of live forms or biological materials are in through consonance of the international conventions.

6) That assuming though not admitting that there exists a lacunae in the patent laws of Mimosa, then in such case, reformation or abrogation of such laws has to be done by the legislature as the role of judiciary is restricted only to interpreting the laws made by the legislature.

1. The Defendant at the outset raises a preliminary objection with respect to the maintainability of the suit.

The Defendant submits as follows:

a) That the instant suit filed by the Plaintiff is premature, because so long as patent is not granted, the Plaintiffs cannot initiate an action for infringement of patent rights.

b) That the Plaintiff has filled for an international patent application through the PCT route 1. Consequently the domestic laws[2] of the country whether the patent has been applied for shall be applicable. Hence in the instant case the laws of Mimosa shall be applicable.

c) That the laws of Mimosa do not enable the filing of an infringement action before the patent is granted.

Therefore the instant suit is liable to be dismissed per se.

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1 Patent co-operation treaty was signed by 38 countries in 1970 and it came into force in 1978

2 article 27 provides for national treatment.

2 a)The instant case fits well within the maxim --- Ubi jus Ibi Remedium

The Defendant submits as follows:

No one receives a patent protection, the moment he thinks of a marvelous new idea or pens it down on a piece of paper or makes use of the invention. The grant of patent is subject to successful registration procedure [3]. In the instant case, the plaintiff was not granted patent till this date, so there was no right in existence.

Therefore, this is a fit case where the maxim of Ubi Jus Ibi Remedium[4] can be extended.

b) The instant case fits well the maxim --- Damnum sine injuria.

The Defendant submits as follows:

Although the Plaintiff contends that the Plaintiff is undergoing an enormous amount of commercial loss on account of the Defendant coming up with a rival venture by copying the technology of the Plaintiff--but the Defendant submits that the instant case fits well within the purview of damnum sine injuria[5].

The Defendant contends that in the instant case the Plaintiff is suffering from substantial damage without any kind of legal injury in absence of any legal right.

The instant case is a classic example of Damnum Sine Injuria that is actual and substantial loss without infringement of any legal right.

c) The instant case fits well the maxim volenti non-fit injuria.

The Defendant submits as follows:

The defendant contends that the plaintiff knowing well the laws of the country mimosa and also knowing that no protection is given to the invention of the patentee till the patent is granted, has voluntarily licensed itself and exposed it's invention in the market. Hence the plaintiff is now barred to ask for any judicial measure to remedy his situation.

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3 "Intellectual Property and Private International" - JAMES J. FAWCETT & PAUL TORREMANS

4 "Law of Torts" - POLLOCK

5 Gloucester Grammar School (1410 Y.B. Hen IV)

3) The allegations made by the Plaintiff with respect to unfair competition do not hold good in the instant case.

The Defendant humbly contends as follows:

That no uniform definition can be given for unfair competition.

That the Paris Convention[6], the TRIPS[7] agreement and the judiciary of different countries have laid down certain acts which are contrary to honest trade practices and hence come within the purview of unfair competition.

Though it is admitted that none of the definitions given with regard to unfair competition are exhaustive, but reverse engineering[8] is a process which is widely used and a perfectly respectable activity[9]- unless one is under a contractual obligation not to reverse engineer.

Research activity is a part of every commercial establishment and reverse engineering is recognized as an inseparable or inalienable part of research[10]. For example laws of some countries do provide particularly in case of drugs, that when the term of patent is about to expire, it can be investigated in research laboratory, although that particular patent is in force[11].

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[6] article 10 bis- "(1) The countries of the union are bound to assure to nationals of such countries elective protection against unfair competition.
(2) any act of competition contrary to honest practices in industrial or commercial matters constitutes an act of unfair competition.
(3) The following in particular shall be prohibited:
(1) all acts of such a nature as to create confusion by any means whatever with the establishment, the foods, or the industrial or commercial activities, of a competitor.
(2) false allegations the course of trade of such a nature as to discredit the goods, or the industrial or commercial activities, of a competitor.
(3) Indications or allegation the use of which in the course of trade is liable to mislead the public as to nature, the manufacturing process the characteristics, the suitability for their purpose, or the quantity of the goods.
Article 10 bis. Unfair competition. There is no specific single law ensuring protection in India. But there are many laws like MRTP et which provides effective protection against unfair competition.

[7] TRIPS agreement supplements the Paris Convention by stating what acts amounts to unfair competition, but the definition under TRIPS is also not exhaustive.

[8] Reverse Engineering is a process of analysing an existing system, U Singh and Sunita Singh, Cytogenetics, Plant Breeding and Evolution.

[9] Commercial Exploitation of Intellectual Property.

[10] Fundamentals of Agricultural Microbiology, K C Mahanta.

[11] Same as footnote (3).

Reverse engineering is also permitted when there exists a patent right over the invention, but in such cases one is permitted to reverse engineer taking proper precautions and designing around the patent.

It is of paramount importance to take notice of the fact that in the instant case there exists no patent protection over the Plaintiffs invention and hence in the instant case reverse engineering is absolutely permissible and does not fall within the scope of unfair competition or infringement of patent right.

The Defendant also contends that by reverse engineering it has come up with a wider range of products different from that produced by the Plaintiff-- thereby enriching the consumers with a wider choice of products[12].

It is submitted that the trade dress of the Defendant is completely different from that of the Plaintiffs. Also the Defendant is trading in a different name from that of the Plaintiff's. Hence the question of creating confusion, misleading the public and taking advantage of the Plaintiffs reputation and goodwill does not arise.

The Defendant thus contends that it has not engaged itself into any acts to unfair competition.

Assuming though not admitting that the Defendant has copied the technology of the plaintiff then in such a case specific notice has to be taken of the fact that "free copying is the rule whereas intellectual property is the exeption"[13]. Generally the party seeking to establish the existence and validity of a right to exclude others from using a creation or marketing tool, has the initial burden to prove it's entitlement to one of the forms of intellectual property[14].

12 Susan A Dunn [1986] 3 Stanford Law Review.
13 Mc Carthy's Desk Encyclopedia on Trademarks and Unfair Competition
14 -do-

4) Whether the state of Mimosa is bound by international convention for the grant of patent with respect to life forms.

The Defendant most humbly submits:

That its is explicitly provided under the laws of Mimosa that there cannot be a grant of patent on life forms or biological material although it can be granted for molecular or micro technology

Harvard / Onco-Mouse[15] case is a unique example of product by process patent. One of the claims of the applicant was patenting a process for producing transonic, non-human, mammalian having an increased probability developing neoplasm.

Product by process patent:

The court observed "it is actually a product patent claim as the product claimed is defined in terms of process by which it is produced. So, a successful claim would result in a product patent and not a process patent".

An American court in the Pumper Bag Ltd. vs. case extended the same principle. So a successful claim would result in the product patent and not a process patent.

The instant case is a classic example of product by process patent. Although the Plaintiff has applied for process patent, in reality, he will be getting biological materials patented.

As per the provisions under the law of Mimosa[16], there cannot be a grant of patent with respect to biological materials.

Once the law of the land is clear, the core of the issue remains that whether this kind of legislation can be sustained in light of various international conventions to which mimosa is a signatory.

Minimum international standard:

WTO agreements specifically provide for social and differential treatment developing and the least developed countries. The very preamble to the WTO agreement emphasizes the need for such treatment with the objective of ensuring equitable distribution of benefits arising from liberalization of trade.

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15 Harvard / Onco-Mouse T 19/90 [1990] O.J.EPO 476. (Tech. Bd. App.) [1991] E.P.O.R. 525 (Ex.D)

16 Facts of the case.

For e.g. the preamble states, “there is need for positive efforts designed to ensure the developing countries and specially the least developed amongst them ensures a share in the growth in the international trade commensurate with the need of their economic development.

Assuming but not admitting that Mimosa is developed country then also, part III of the TRIPS agreement, which with the enforcement of the intellectual property rights does not create any obligation to provide special judicial system or laws for enforcement of intellectual property rights. In fact Article 27 (3) 17 of TRIPS gives an absolute liberty to allow or disallow the patentability of plants and animals to its member states.

Furthermore it is submitted that the Plaintiff has applied through PCT route.

According to article 27 (5) 18 of patent cooperation treaty the member states are having absolute freedom to prescribe substantive laws for the purpose of granting patent.

So, it is very evident that the grant of patent is subject to satisfaction of national legislation.

Therefore, the laws of Mimosa regarding non-patentability of life forms and biological materials are in thorough consonance with WTO agreement and patent cooperation treaty.

[17] Members may also exclude from patentability:
(b) plants and animals other than micro -organisms, and essentially biological processes for the production of plants and animals other than non-biological and microbiological processes. However, members shall provide for the protection of plant varieties either by patents or an effective sue generis system or by any combination thereof.

[18] Art 27(5) of Patent Cooperation Treaty provides freedom to its member states to prescribe for substantive provisions as it desires for the grant of patent.

5) Patent may not be granted considering the nature of the technology.

The Defendant most humbly submits:

That in every living forms except for unicellular organism like amoebae, there are a particular number of chromosomes, which constitutes the genetic makeup of that particular organism[19]. The number of chromosomes in a species normally remains constant through successive generation and these results in constancy of characteristics. Chromosomes number is one of the characters that differentiate one species from another [20]. These chromosomes further contain genes[21].

It is of paramount importance to take notice of the fact that-molecular manipulative technology is nothing but incorporation of a new gene, or alteration of an existing gene, or alteration of an existing one in order to get particular characteristic expressed or deleted[22]. Example-In cotton plants we add Bt gene, which is attached to a particular chromosome in order to make it resistant from ball worm.

Furthermore in the instant case, the plaintiff by altering the genetic makeup of the plants has come up with designer flowers. So by all standards the Plaintiff is not inventing something, but manipulating the genetic setup within the plant to get a particular characteristic expressed. Whereas inventiveness is the pre requisite, for the grant of patent.

Alternatively it is submitted that the gene technologies refers to nucleotide sequences which are the basic building blocks as DNA, m RNA, amino acids, and proteins are produced by there arrangement and rearrangement[23].

Nucleotides have a natural way of sequencing and if we bring about any change with respect to nucleotide sequences it will have a bearing on the characteristics which an organism exhibits, so what we require is rearrangement of nucleotides which again fall short of inventions.

Moreover, after 1952 when Watson and Cripps came up with the discovery of helical model of DNA, this fundamental concept of genetics became obvious to the scientific community so patent cannot be granted on account of obviousness.

A similar question of law was involved in the case of Biogen Inc. vs. Medeva Ltd. [24]. Where the plaintiffs came up recombitant DNA as vaccine for hepatitis B.

The question before the house of Lords was whether this will amount to an invention. The House of Lords unanimously held that this would not amount to an invention and the patent was not granted.

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[19] Fundamentals of Genetics. UC Maheshwari, 2nd edition.
[20] Fundamentals of Agricultural Microbiology, K.C. Mahanta.
[21] Class 12, NCERT text book.
[22] Cytogenetics, Plant Breeding and Evolution, U. Sinha, Sunita Sinha
[23] A Textbook on Biotechnology, HB Kumar, 2nd edition.
[24] Biogen Inc. V. Medeva Plc [1977] R.P.E.

6) There may not be a grant of patent considering the social ethical and scientific factors.

It is humbly submitted as follows:-

By manipulation of nucleotide sequencing the genetic constitution of an organism can be manipulated to get a particular characteristic expressed.

It is wondered as to how we will react to a situation where a couple goes and says, "we want our baby to have brown hair" or another couple goes and says, "we want our baby to have blue eyes; "as if they want some modification in a commodity of utility. At this juncture, a question automatically arises as to what is the extent to which we should interfere with the existing forms of life.

Although in the instant case the issue involves patents, nevertheless they are living things and grant of patent will set up bad precedent and in a way state will be legalizing the whole affair.

As far as scientific consideration are concerned the technology involves tremendous implication which may be devastating for mankind. Few of them can be stated as follows[25]:

a) Movement of genes to closely related wild species and other crop varieties of the same species.

b) Possible evolution of new pathogens and pests to overcome resistant crops.

c) Development of new allergies, which can effect at least some consumers.

d) Introduction of genetic materials from animals, microbes, viruses, etc. in plants and it's impact.

e) Generation of new plants with undesirable or unstable traits.

f) Depletion of plant bio-diversity and natural section of new species.

g) Impact on agricultural practices.

h) Development of imbalances in the Eco-system.

So it is premature to presume that patent will be granted considering the social, ethical and scientific factors.

7) Whether reform is a matter to be taken up by the legislature.

It is humbly submitted on behalf of the defendant that even if there exists lacunae with respect to patent law then also it forms a part of policy, which is to be decided by the legislature.

A very thin line severes one branch of the state from the other namely executive, judiciary and legislature on the basis of Montesquieu's theory of separation of power .

The legislative process is best equipped to weigh the competing social economic and scientific considerations [26] [27]. Therefore, courts ordinarily should not interfere with policy decisions even if they are erroneous.

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[25] same as 23

[26] International News Service v. Associated Press US Supreme Court, 248 US 215.

[27] Sidney A Diamond v. Ananda M Chakraborthy, p. 144, 65 L Ed 2d 1197.

PRAYER

It is most humbly prayed before this Honourable Courts:

1) Dismiss the suit with costs.

2) Pass any other judgement in the interest of justice and equity.