
(2010) 11 IPAB CK 0001

In the Intellectual Property Appellate Board

Case No : S.R. No. 100/2010/PT/IPAB

Colgate - Palmolive Company

APPELLANT

Vs

Asst. Controller Of Patents And Designs

RESPONDENT

Date of Decision : 30-11-2010

Acts Referred:

Patents Act, 1970 — Section 12, 15, 11A, 25(1), 64, 117, 117(A)(2)
Patent Rules, 2003 — Rule 55

Citation : (2010) 11 IPAB CK 0001

Hon'ble Judges : S. Usha, J;S. Chandrasekaran, Technical Member

Bench : Division Bench

Final Decision : Allowed

Judgement

S. Chandrasekaran, Technical Member

1. This is an appeal made against the order of the Controller of Patents dated 23.12.2009 under Section 25(1) of the Patents Act, 1970 (hereinafter referred to as the Act) refusing acceptance of the Indian Patent Application No. 3900/DELNP/2007.

2. The Appellant, the company under the laws of USA filed the Indian national phase Patent Application No. 3900/DELNP/2007 (hereinafter referred to as the subject application) on 24th May, 2007 corresponding to an International PCT application No. PCT/US2005/040567 dated 16th November 2005, claiming priority from the US application dated 17th November, 2004. The Appellant's national phase application was published on 31-8-2007 under Section 11A of the Act.

3. One 3rd party opponent, M/s. Hindustan Unilever Ltd, filed a representation under Section 25(1) of the Act on 19-2-2008. The Respondent examined the application and the first examination report was issued on

27th August, 2008. The response to this examination report was filed by the Appellants on 21.08.2009 clearly giving detailed observations addressing the substantive, technical and formal objections raised therein, simultaneously amending the claims. On or around 29th August, 2007 an official communication was sent by the Patent office Delhi enclosing the copy of the pre-grant representation under Section 25(1) of the Act. The Appellants filed their reply within the statutory time limit given, giving detailed explanation and observations distinguishing the features. The Respondent finally appointed a hearing on the said pre-grant representation, on 25th August 2009.

The Respondent passed the impugned order dated 23rd December 2009 refusing the application of the Appellant on the grounds of lack of novelty,

obviousness and lack of inventive step, prior public knowledge and prior public use, and insufficiency of disclosure. Being aggrieved by the said order,

the Appellants herein preferred an appeal before this Appellate Board. The Registry of this Board sought clarification from the Appellant as to how

the order passed under Section 25(1) of Act is admissible/appealable before this Board as it is very clear that any decision issued under Section 25(1)

of the Act, by the Controller is not appealable under Section 117(A)(2) of the Act. The Appellant's counsel replied that this appeal was preferred inter

alia under Section 117 read with Section 15 of the Act, enclosing therewith the certified copy of the order of the Controller issued under Section 25(1)

of the Act. The Appellant's counsel also replied that this present appeal is maintainable in view of the order dated 8th February, 2010 of the Hon'ble

Delhi High Court passed in the writ petition No. 532/2010 and enclosed therewith a copy of the judgment. The Appellant's counsel further stated that

the Hon'ble Delhi High Court has held that where the grant of patent is refused by the Controller of Patents after accepting or allowing a pre-grant

opposition under Section 25(1) of the Act, the applicant has a remedy by way of appeal to the IPAB under Section 117(A)(2) of the Act. The matter

was therefore listed before the Bench for maintainability on 2nd August, 2010.

4. The Appellant was represented by Mrs. Archana Shankar advocate. The Appellant's counsel submitted that the Section 25(1) hearing was

conducted on 25th August, 2009 and the decision was issued on 23rd December 2009 and they had the time for appeal till 23rd March, 2010.

5. The counsel for the Appellant referred to the recent Delhi High Court judgment

dated 8th February 2010 in W.P (C) No. 332 of 2010 and submitted

that it was held by the Hon'ble Delhi High Court, that the decision of the Controller under Section 25(1) is in fact relatable to and should be understood

as if an order has been issued by the Controller under Section 15 of the Act. Further, the counsel quoted extensively from the recent Delhi High Court

judgment and also referred to the judgment delivered in UCB Farchim SA v. Cipla Limited W.P.(C) No. 332 of 2010 and said that this impugned order

should be treated as an order under Section 15 of the Act which is appealable before this Board.

6. The counsel for the Appellant referred to the Hon'ble Delhi High Court judgment in UCB Farchim SA v. Cipla Limited W.P. (C) No. 332 of 2010

and that is binding on the Appellate Board. Then the Appellants counsel also referred to MANU/SC/0200/1976 : 1976 (3) SCR 1076 State of Gujarat

v. Chatrabhuj Maganlal and Anr. and submitted that as per this judgment where the language of the statutory provision is susceptible of two

interpretations, the one which promotes the object of the provision and preserves its smooth working should be chosen in preference to the other

which introduces inconvenience and uncertainty in the working of the system. The counsel also added that here in this case, when the pre-grant

opposition is allowed and the patent is refused, the applicant for patent is without any remedy and the very purpose of the patent system and its object

is not achieved, creating an inconvenience and uncertainty in the working of the patent system. Therefore, when the Hon'ble High Court has given a

ruling and interpretation of the provision of law that should be applicable to this case and to consider this appeal as if it is an appeal made against the

order of the Controller under Section 15, though the same decision has been given under Section 25(1) of the Act.

7. We have heard the arguments of the counsel and his submission in this regard. It is very clearly noticeable that this is an appeal against the order of

the Respondent issued under Section 25(1) of the Act, wherein the 3rd party has made a pre-grant opposition to the grant of patent to M/s. Colgate -

Palmolive Company (the Appellant herein). The Controller of Patents does the examination of the patent applications for the grant of patents under

Section 12 of the Act (under chapter 4) which deals with, mainly regarding the publication and examination of applications for patent leading to the

grant of patent. This chapter 4 also deals with the applications filed, regarding its publication in the patent journal, and as to when the applicant has to make a request for examination, which is subsequently followed by the detailed technical examination by the patent office considering the patentability criteria. Then it also deals with the procedure and action as to when the Controller can refuse to grant the patent keeping in view of the stipulated time given in the first examination report issued subsequent to the technical examination of the patent application. Here in all these proceedings there are only two parties, namely, the Controller and the applicant for patent and there is no 3rd party. Consequently, when the Controller issues the examination report, it is directed towards the applicant for patent and either he has to comply with the requirements raised therein within the stipulated time given or if he does not agree with the directions for amendment or any correction, he may seek an opportunity of hearing as well as, in case, the Controller proceeds to make a decision adverse to the applicant. However, it is very clear that the proceeding is only between the two parties, namely, the applicant and the Controller. Subsequent to this action, in chapter 5 under a different heading ""Opposition proceedings to grant of patents"" under Section 25 another party enters the proceedings, by way of pre-grant opposition, if and when the patent has not been granted, by way of opposition sending the representation to the Controller on any of the grounds specified therein. The procedure as to how this pre-grant opposition is to be carried out or effected is given under Rule 55 in chapter 6 of the Patent Rules, 2003 (hereinafter referred to as the Rules). This shows very clearly, it is a next stage after the examination of the patent application showing that it is a proceeding only subsequent to the proceeding which took place between the Controller and the applicant. Based on the objections raised by the Controller either the applicant has to comply with the technical objections by making necessary amendments in the specification or make necessary observations to satisfy the Controller that he deserves to get the patent granted based on the disclosure in the specification already made. Here again if the Controller is not satisfied with the observations of the applicant, he may offer an opportunity of hearing to the applicant for patent and allow and direct the applicant to amend the specification to his satisfaction and in the event that he does not comply with the same, he may refuse to proceed with the application. This refusal gives the power of appeal against the

decision of the Controller under Section 117 (A) (2) whereas in pre-grant opposition as clearly given in the statute, the second party or as worded in the statute, the third party enters into the proceeding, mainly with the intention of opposing the grant of patent and he submits the representation to the Controller directly. The Controller of Patents then forwards this representation to the applicant calling for his observations and reply if any, together with the evidence thereof. Finally, the Controller may decide the issue by offering an opportunity of hearing to both the parties namely (it's a bipartite proceeding) the applicant and the intervening 3rd party opponent and decide the issue (1) allow the pre-grant opposition and reject the patent (2) dismiss the pre-grant opposition and grant the patent.

8. Here in this first category, it is very clear and known to all parties in the proceeding that the opponent who comes to enter the proceeding by way of pre-grant opposition has a remedy under Section 25(2) of the Act as post grant opposition or under Section 64 by way of revocation of patent before this Board. Also it is known to the parties in the proceeding that if the pre-grant opposition is allowed and the patent is refused there is no remedy provided to the applicant under the law in an explicit manner in the statute. That is, the applicant for patent cannot appeal against the order of the Controller under Section 25(1) before this Appellate Board. As the Controller's decision issued under Section 25(1) is not explicitly provided or mentioned under Section 117(A)(2) for appealing against, it is a clear fact that the applicant for patent has no remedy except by way of judicial review to the Court. But this order of the Controller can never be taken as if it is an order issued under Section 15 of the Act or it is equivalent or relatable to the provisions contained in Section 15 of the Act. The intention of the third party entering the pre-grant opposition is very clear that the patent should not be granted under the grounds specified therein and that is why he makes the opposition under Section 25(1). Whereas, the intention of the patent office or the patent examiner or the Controller of patents is to technically examine the patent application and make the patent specification a worthwhile document under chapter IV before it is made open to public by granting a patent simultaneously, if the invention claimed has met the patentability criteria as mentioned in the statute. So this action of the third party can never be taken as an action or the pre-grant opposition action has

been in aid of the examination of the patent application. That is why the legislature has very clearly brought this proceeding under a different heading called an opposition proceeding"" simultaneously keeping a check that if the third party opponent is not an interested person, then, he cannot proceed for appeal or for a further proceeding namely post grant opposition under Section 25(2) or a revocation proceeding under Section 64 of the Act. The intention of the legislature is very clear that the patent monopoly right being the negative right, a provision of intervening 3rd party opposition as a pre-grant opposition has been brought in, to check no worthless patents has been granted by the Controller. So, these two proceedings are not relatable to each other and the decision issued under Section 25(1) cannot be deemed to have been given under Section 15 of the Act. However, the higher forum, namely Hon'ble Delhi High Court has interpreted and decided that there should be a remedy by way of appeal to the applicant whose patent has been refused due to the intervention of the third party in a pre-grant opposition. We also agree that in the interest of natural justice that there should be a remedy for the aggrieved applicant and the applicant should be able to prefer an appeal against the order of the Controller in case the Controller takes an adverse decision against the applicant. Therefore taking into consideration the law of natural justice and the judgment of the Delhi High Court referred to, by the Appellants counsel, we hereby allow the application and direct the Registry to number this appeal if in order.