3M Innovative Properties Ltd & Anr. vs Venus Safety & Health Pvt Ltd & Anr on 19 September, 2016

Author: Sanjeev Sachdeva

Bench: Badar Durrez Ahmed, Sanjeev Sachdeva

*IN THE HIGH COURT OF DELHI AT NEW DELHI

% Judgment Delivered on: 19th September, 2016

+ FAO(OS) 292/2014 & CM No. 10651/2014 (stay)

3M INNOVATIVE PROPERTIES LTD & ANR. ..... Appellants

Versus

VENUS SAFETY & HEALTH PVT LTD & ANR .....Respondents

Advocates who appeared in this case:
For the Appellants: Mr Amit Sibal, Sr. Advocate with Mr Vineet Rohilla, Mr Nishant Sharma and Mr Namit Suri, Advocates

For the Respondents: Mr Sudhir Chandra, Sr Advocate with Mr Sagar Chandra, Ms. Ishani Chandra and Ms Niharika Swaroop, Advocates

CORAM:
HON'BLE MR. JUSTICE BADAR DURREZ AHMED
HON'BLE MR. JUSTICE SANJEEV SACHDEVA

JUDGMENT

SANJEEV SACHDEVA, J

1. The appellant (plaintiff in the suit) is aggrieved by the order dated 30.05.2014 whereby the applications being IA No.20605/2013 (under Order XXXIX Rules 1 & 2 Code of Civil Procedure) (for short „CPC) and IA No.1276/2014 (under Order XXXIX Rule 4 CPC) have been disposed of and the interim injunction dated 19.12.2013 has been vacated.

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2. The appellants have filed the suit for permanent injunction restraining the respondents from infringing the patent of the appellant No.1 and further consequential relief of rendition of accounts and a decree for damages.

3. The appellant No.1 claims to be a pioneer in personal protection equipment and is engaged in designing and manufacturing respiratory devices since 1972. The subject patent i.e. Indian Patent

No.211175 for invention titled "Flat Fold Personal Respiratory Protection Devices and process for preparing the same" was granted in favour of the appellants w.e.f. 26.05.1999. The appellants claim to be manufacturing the product, claimed in the subject patent, since 2002.

4. The Indian Patent claim is based on PCT International Application filed in United States on 26.05.1999. It is contended that on 28.02.2002, the US Priority Application was granted and is identified as US Patent No.6,394,090.

5. As per the claims in the subject patent, the mask for which the patent application has been filed, is intended to serve the following purposes/needs:

(i) Flat folded yet providing a good respiratory seal;

(ii) Uncomplicated design that is easy and inexpensive to manufacture;

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(iii) Contact wearer's face at periphery of face mask with minimum facial contact such that comfort to wearer is maximum and engagement with perimeter of face mask to the face of the wearer is minimal.

6. For achieving the purposes/needs, it is claimed that the mask has following essential features:

(i) A non-pleated main body divided into three portions;

(ii) Two lines of demarcation separating the mask into three portions;

(iii) A bisecting fold extending vertically across the main body;

(iv) Lines of demarcation that do not include and are not part of a pleat;

(v) Mask is made from a monolithic preform blank of material, thereby making manufacturing process easier.

7. It is claimed that the advantages (technical advancement) accomplished by the mask of the subject patent are:

(i) lines of demarcation have a joint-like function -

imparts relative movement between three portions of the mask and imparts structural integrity to the mask while improving flexibility and conformance of the mask to the face.

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(ii) lines of demarcation form two axes of rotation -

the lines of demarcation forms an axis of rotation for first and second portion and also for second and third portions to rotate at least partially around such lines of demarcation.

(iii) lines of demarcation prevent delamination of multi-layers so that inner layer does not collapse during use

(iv) Off-the-face benefits to the user -

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8. The appellants filed the subject Suit contending that the respondents have recently started manufacturing a device identical to the device covered by the subject patent. Comparing the infringing device model V4410 of the respondents, the appellants contend that the said infringing device has been manufactured analyzing the subject patent and each of the elements of Claim 1 of the subject patent are present in the respondents infringing device. The element- wise analysis of the respondents device vis-à-vis the claims of the subject patent, as contended by the appellant, are as under:-

> "A flat folded personal respiratory protection device comprising;
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> a non-pleated main body (Element 1) comprising:
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> a first portion (Element 2);
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> a second portion (Element 3) distinguished from the first portion by a first line of demarcation (Element 4);
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> a third portion (Element 5) distinguished from the second portion by a second line of demarcation (Element 6); and a bisecting fold (Element 7) that is substantially vertical when viewed from the front when the device is oriented as in use on a wearer, the substantially vertical bisecting fold extending through the first portion, second portion and third portion;
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> wherein the device is capable of being folded to a first substantially flat-folded configuration along the bisecting fold (Element 8) and is capable of being unfolded to a convex open configuration (Element 9)."

9. The appellants have placed on record the following photographs of the rival product:

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10. Per contra, the contention of the respondents is that the respondent No.1 had been manufacturing flat-folded personal respiratory device which opened into a cup shaped configuration since 1994.

11. It is contended that three patents namely US Patent No.US 3,971,369 (D1), US Patent No.US 5,701,892 (D2) and International Publication No.WO 1996/28217 (D3) disclose major elements that are claimed by the appellants patent and are prior arts and the Claim I of the appellants is covered by prior art and is anticipated and obvious to a person skilled in the art and, thus, the appellants are not entitled to grant of any ad interim injunction.

12. By the impugned order dated 30.05.2014, the learned Single
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Judge, relying on US Patent No.US 3,971,369, US Patent No.US 5,701,892, US Patent No.US 6,394,090 and Internal Publication No. WO 1996/28217 held that the said patents disclose many essential features of the subject patent and also teach many elements claimed in the subject patent.

13. The learned Single Judge found force in the submissions of the respondents that the lines of demarcation, that have been used by the respondents in the product in question, have been used as guiding and reference lines to locate the centre of the single part nose piece, which is embedded inside the mask, that would facilitate the folding of the device and thereby allowing the nose piece to be placed comfortably on the wearer s nose. The learned Single Judge has held that, prima facie, the lines of demarcation are already known in the art through US Patent No. US 3,971,369.

14. The learned Single Judge has held that the respondents have been able to prima facie demonstrate the existence of various elements as prior art. He has held that it is an admitted position that the respondents have been using the impugned device since April 2011 and have made considerable investments in the same. In this view of the matter, the balance of convenience has been found to be in favour of the respondents. The ex-parte ad interim injunction dated 19.12.2013 has thus been vacated.

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15. Impugning the said order, the appellants have filed the present appeal contending that the learned Single Judge has erred in considering the priority application in respect of the same patent filed in US as one of the prior arts. It is contended that the term "lines of demarcation", as existing in the alleged prior art US No. US 3,971,369, has incorrectly been construed to be the same as in the subject patent.

16. It is contended that the learned Single Judge has erred in not appreciating that technical advances, made on account of inventive steps, have been taken as existing knowledge obvious to the person skilled in trade. Substantive distinguishing features are present in the alleged prior arts which do not teach the features of the subject patent and there is complete non-obviousness.

17. It is further contended that mere challenge to the patent is not sufficient to non-suit a plaintiff but a credible challenge of a higher degree is required to non-suit a plaintiff, which is absent in the present case.

18. It has been further contended that the learned Single Judge has erred in holding that it is an admitted position that the respondents have been manufacturing the infringing product since 2011. Reliance is placed on the recent brochure of the respondents to show that the impugned product has been referred to as "new" in the said brochure.

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19. To resolve the controversy that arises in the present appeal, we would need to examine whether the comparison done by the learned single judge of the elements of the claim of the appellants in the subject patent with the alleged prior art satisfies the test as laid down by the Supreme Court of India.

20. In BISHWANATH PRASAD RADHEY SHYAM V. HINDUSTAN METAL INDUSTRIES, (1979) 2 SCC 511 the Supreme Court of India has held as under:

> "17. The object of Patent Law is to encourage scientific research, new technology and industrial progress. Grant of exclusive privilege to own, use or sell the method or the product patented for a limited period, stimulates new inventions of commercial utility. The price of the grant of the monopoly is the disclosure of the invention at the Patent Office, which, after the expiry of the fixed period of the monopoly, passes into the public domain.
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> 18. The fundamental principle of Patent Law is that a patent is granted only for an invention which must be new and useful. That is to say, it must have novelty and utility. It is essential for the validity of a patent that it must be the inventor's own discovery as opposed to mere verification of what was already known before the date of the patent.
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> 19. "„Invention means any manner of new manufacture and includes an improvement and an allied invention". [Section 2(8) of 1911 Act.] It is to be noted that unlike the Patents Act, 1970, the Act of 1911 does not specify the requirement of being useful in the definition of „invention . But Courts have always taken
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> the view that a patentable invention, apart from being a new manufacture, must also be useful. The foundation for this judicial interpretation is to be found in the fact that Section 26(1)(f) of the 1911 Act recognises lack of utility as one of the grounds on which a patent can be revoked.
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> 20. "Manufacture" according to the definition of the term in Section 2(11) of the Act, includes not only "any art, process or manner of providing, preparing or making an

article" but also "any article prepared or produced by the manufacture".

21. It is important to bear in mind that in order to be patentable an improvement on something known before or a combination of different matters already known, should be something more than a mere workshop improvement; and must independently satisfy the test of invention or an "inventive step". To be patentable the improvement or the combination must produce a new result, or a new article or a better or cheaper article than before. The combination of old, known integers may be so combined that by their working inter-relation they produce a new process or improved result. Mere collection of more than one integers or things, not involving the exercise of any inventive faculty, does not qualify for the grant of a patent. "It is not enough", said Lord Davey in Rickmann v. Thierry [(1896) 14 Pat Ca 105] "that the purpose is new or that there is novelty in the application, so that the article produced is in that sense new, but there must be novelty in the mode of application. By that, I understand that in adopting the old contrivance to the new purpose, there must be difficulties to be overcome, requiring what is called invention, or there must be some ingenuity in the mode of making the adoption". As Cotton, L.J. put it in Blackey v. Lathem [(1888) 6 Pat Ca 184] "to be new in the patent sense, the novelty must show invention". In other words, in order to be patentable, the new subject- matter must involve "invention" over what is old. Determination of this question, which in reality is a crucial test, has been one of the most difficult aspects of Patent Law, and has led to considerable conflict of judicial opinion.

22. This aspect of the law relating to patentable inventions, as prevailing in Britain, has been neatly summed up in Encyclopaedia Britannica, Vol. 17, p. 453. Since in India, also, the law on the subject is substantially the same, it will be profitable to extract the same hereunder:

> "A patent can be granted only for „manner of new manufacture and although an invention may be „new and relate to a „manner of manufacture it is not necessarily a „manner of new manufacture -- it may be only a normal development of an existing manufacture. It is a necessary qualification of a craftsman that he should have the knowledge and ability to vary his methods to meet the task before him -- a tailor must cut his cloth to suit the fashion of the day -- and any monopoly that would interfere with the craftsman's use of his skill and knowledge would be intolerable.
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> A patentable invention, therefore, must involve something which is outside the probable capacity of a craftsman -- which is expressed by saying it must have „subject-matter or involve an „inventive step . „Novelty and „subject-matter are obviously closely allied ... Although these issues must be pleaded separately, both are invariably raised by a defendant, and in fact, „subject-matter is the crucial test, for which there may well be novelty not involving an „inventive step , it is hard to conceive how there can be an „inventive step without novelty."

23. Whether an alleged invention involves novelty and an "inventive step", is a mixed question of law and fact, depending largely on the circumstances of the case. Although no absolute, that is uniformly applicable in all circumstances can be devised, certain broad criteria can be indicated. Whether the "manner of manufacture"

> patented, was publicly known, used and practised in the country before or at the date of the patent? If the answer to this question is "Yes", it will negative novelty or "subject-matter". Prior public knowledge of the alleged invention which would disqualify the grant of a patent can be by word of mouth or by publication through books or other media. "If the public once becomes possessed of an invention", says Hindmarch on Patents [Quoted with approval by Fry, LJ. in Humpherson v. Syer, RPC 407] "by any means whatsoever, no subsequent patent for it can be granted either to the true or first inventor himself or any other person; for the public cannot be deprived of the right to use the invention . . . the public already possessing everything that he could give".

24. The expression "does not involve any inventive step" used in Section 26(1)(e) of the Act and its equivalent word "obvious", have acquired special significance in the terminology of patent law. The "obviousness" has to be strictly and objectively judged. For this determination several forms of the question have been suggested. The one suggested by Salmond, L.J. in Rado v. John Two & Son Ltd. [(1967) RPC 297] is apposite. It is: "Whether the alleged discovery lies so
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much out of the track of what was known before as not naturally to suggest itself to a person thinking on the subject, it must not be the obvious or natural suggestion of what was previously known."

25. Another test of whether a document is a publication which would negative existence of novelty or an "inventive step" is suggested, as under:

> "Had the document been placed in the hands of a competent draftsman (or engineer as distinguished from a mere artisan), endowed with the common general knowledge at the „priority date , who was faced with the problem solved by the patentee but without knowledge of the patented invention, would he have said, „this gives me what I want? (Encyclopaedia Britannica; ibid). To put it in another form: „Was it for practical purposes obvious to a skilled worker, in the field concerned, in the state of knowledge existing at the date of the patent to be found in the literature then available to him, that he would or should make the invention the subject of the claim concerned? [Halsbury, 3rd Edn., Vol. 29, p. 42 referred to by Vimadalal, J. of Bombay High Court in Farbwerke Hoechst & B. Corporation v.Unichem Laboratories [AIR 1969 Bom 255 (Bom HC)] .] ***** ***** *****
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> 43. As pointed out in Arnold v. Bradbury [(1871) 6 Ch A 706] the proper way to construe a specification is not to read the claims first and then see what the full description of the invention is, but first to read the description of the invention, in

order that the mind may be prepared for what it is, that the invention is to be claimed, for the patentee cannot claim more than he desires to patent. In Parkinson v. Simon [(1894) 11 RPC 483] Lord Esher, M.R. enumerated that as far as possible the claims must be so construed as to give an effective meaning to each of them, but the specification and the claims must be looked at and construed together."

(Underlining Supplied)

21. The principles governing patentability of an invention as laid down in BISHWANATH PRASAD RADHEY SHYAM (Supra) can thus be summarized as under:

(i) it must be the inventor's own discovery;

(ii) should not be a mere verification of what was already known before the date of the patent;

(iii) it is a manner of new manufacture and includes an improvement and an allied invention;

(iv) must also be useful;
(v) not only the art, process or manner of providing,

preparing or making an article but also the article prepared or produced by the manufacture can be patented;

(vi) should be more than a mere workshop improvement;

(vii) the improvement or the combination must produce a new result, or a new article or a better or cheaper article than before;

(viii) a combination of old, known integers may be so combined that by their working inter-relation they produce a new process or improved result;

(ix) mere collection of more than one integer or things, not involving the exercise of any inventive faculty, would not qualify for the grant of a patent;

(x) there must be novelty in the mode of application and the novelty must show invention;

(xi) the new subject-matter must involve "invention" over what is old;

(xii) must involve something which is outside the probable capacity of a craftsman;

(xiii) it must not be the obvious to a skilled worker, in the field concerned,

(xiv) it must not be a natural suggestion of what was previously known;

(xv) Prior public knowledge of the alleged invention would disqualify the grant of a patent and prior public knowledge can be by word of mouth or by publication through books or other media;

22. The Supreme Court in BISHWANATH PRASAD RADHEY SHYAM (Supra) also held that the proper way to construe a specification is not to read the claims first and then see what the full description of the invention is, but first to read the description of the invention, so that the mind may be prepared for what is claimed by the invention, because the patentee cannot claim more than what he desires to patent. The claims must be so construed as to give an effective meaning to each of them. The specification and the claims must be looked at and construed together.

23. Since by the Impugned order, the learned single judge has held that the elements of the subject patent are taught by prior art and are obvious to a person skilled in trade, a comparison is required to be made of the elements of the subject patent with the alleged prior art.

24. The abstract of the subject patent reads as under:-

"(57) Abstract:

Respiratory devices having first and second lines of demarcation bisected by a fold. The devices are capable of being folded. In a first substantially flat configuration for storage (e.g., In a pocket) and are capable of being unfolded in a second ready-to-wear configuration so that a portion of the device covering the nose and the mouth is off- the-face.

Processes for making such devices include folding a perform over a bisecting axis and cutting the perform at desired angels and sealing the cuts together to form the mask."

25. The drawing sheet of the subject patent is as under:-

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26. Reference has been made to US Patent No.3,971,369 (hereinafter referred to as D1) to contend that the subject patent is a prior art with regard to the lines of demarcation. The abstract of D1 reads as follows:-

> "A generally cup-shaped surgical facemask and a method for folding the body portion thereof, said body portion comprising a filtration medium, the method comprising (1) providing a blank of said filtration medium; (2) establishing a longitudinal fold line on said blank; (3) establishing first, second, and third transverse lines of demarcation on said blank, said second and third lines being on opposite sides of said first line; (4) establishing first and second points on one side edge and third and fourth points on the other side edge of the blank; (5) establishing angularly disposed fold lines which connect said points with said longitudinal fold line; (6) creasing said blank along said longitudinal fold line; and (7) moving said first and second points on one of said side edges and said third and fourth points on the other side edge to new positions lying between said second and third transverse lines of demarcation."

27. The relevant figure of the alleged prior art is as under:-

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28. The learned single judge held that D1 is a prior art with regard to lines of demarcation. The appellants have on the other hand

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contended that even though the expression "lines of demarcation"

> have been used in the subject patent as also in D1, they refer to completely different concepts.

29. We are in agreement with the submission of learned counsel for the appellant. Examination of the abstract as also the figure of D1 shows that it teaches a "pleated" mask, which has pleats formed on a face because of the material on the face portion being folded backwards. The pleat is formed by folding the material, which is generally supple, of the face portion of the mask. The pleats (referred to as lines of demarcation) are formed in the mask by means of folding the material. In the subject patent, the lines of demarcation are weld lines formed on the mask. The subject patent claims a non-pleated mask. Merely because the term "lines of demarcation" has been used in both the patents does not ipso-facto imply that both signify the same concept.

30. The learned Single Judge merely referred to the terminology of the patents without referring to the detailed description thereof and thus erred in holding that D1 is a prior art and teaches with regard to the lines of demarcation. In DI, the lines of demarcation refer to imaginary lines on which the blank is to be folded whereas in the subject patent, the lines of demarcation are predetermined lines formed on the main body of the mask by weld lines to distinguish different portions. As per the claim, the lines of demarcation in the

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subject patent are provided with an aim to render the structure rigid and to provide axis of rotation for one or more portions around it.

31. It is apparent from the examination of the description of the subject patent with the alleged prior art that the lines of demarcation of the subject patent are different from the lines of demarcation in D1.

32. The difference is apparent in the terms of the configuration and the functionality of the lines of demarcation. The respective purpose of the lines of demarcation is also different. The lines of demarcation segregate the mask into three portions, the first, the second and the third.

33. In the subject patent, the bisecting fold extends across the first, the second and the third portion of the main body. The bisecting fold, in combination with the lines of demarcation, provides a rigid, off the face configuration of the mask to ensure conformity to the face of the wearer and to provide a facial seal thereby avoiding any outside air from entering the mask when worn. D1 does not have any bisecting fold. Various other distinguishing features also exist between the subject patent and D1.

34. The second prior art referred to, in the impugned order, is US Patent 5,701,892 (hereinafter referred to as D2)

35. The abstract of D2 reads as follows:-

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> "A multipurpose face mask made of supple material covers the nose, mouth, and chin with a two sided chamber held away from the entrance of the nostrils and the mouth by a rigid support attached inside the vertical front fold. This rigid support makes possible the use of a wide variety of soft materials in one or more layers, which may serve to filter dust, pollen, mold, dander, powder, and other common airborne particles, and/or to warm and humidify cold, dry air. For versatility in purpose, a disposable version may fit inside a reusable version. The cold weather version may have air holes in the outer layer. This device of supple material can be made in several sizes and rolled to fit in a pocket."

36. The figure of D2 is as under:-

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37. Perusal of the abstract of D2 alongwith its figure shows that the mask of D2 does not have any lines of demarcation. The mask is not divided into three portions which are movable along with the l i n e s o f
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demarcation. Mask of D2 is not a monolithic structure and is made by joining two symmetrical sides. A comparison of D2 with the subject patent shows that D2 does not teach the elements of the subject patent and, thus, could not have, prima facie, been considered as a prior art.

38. The third alleged prior art referred to is International Application WO 1996/28217 (hereinafter referred to as D3)

39. The abstract of D3 is as under:-

> "Fold-flat personal respiratory protection devices are provided. The devices have a flat central portion having first and second edges, a flat first member joined to the first edge of the central portion through either a fold- line, seam, weld or bond, said fold, bond, weld or seam of the first member being substantially coextensive with said first edge of said central portion, and a flat second member joined to the second edge of the central portion through either a fold-line, seam, weld or bond, the fold, bond, weld or seam of the second member being substantially coextensive with said second edge of said central portion. At least one of the central portion and first and second members are formed from filter media. The device is capable of being folded flat for storage with the first and second members being in at least partial face-to-face contact with a common surface of the central portion and, during use, is capable of forming a cup- shaped air chamber over the nose and mouth of the wearer with the unjoined edges of the central portion and first and second members adapted to contact and be secured to the nose, cheeks and chin of the wearer"

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40. The figure of D3 is as under:

41. A comparison of D3 with the subject patent shows that mask of D3 is not a monolithic structure and is formed by joining a flat first member and a flat second member to a central portion. The mask of D3 would involve cutting different symmetrical portions and thereafter joining the same to form the final structure. Mask of D3
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does not have any bisecting fold or lines of demarcation. The process of the subject patent is different in terms of the essential steps towards creating lines of demarcation and bisecting folds of the subject patent.

42. US Patent No. US 6,394,090, granted on 28.05.2002, referred to in the impugned order is the priority application made by the appellants in the United States with regard to the subject patent itself. Reliance placed thereon by the learned Single Judge to show prior art is clearly misplaced.

43. The learned Single Judge has erroneously combined the abstract of D1, D2 and D3 to arrive at a conclusion that the three combined teach the elements of the subject patent. By reading the alleged prior art documents relied upon by the Respondents, a person ordinarily skilled in the art would not be able to reach to the solution provided by the subject patent without use of inventive ingenuity.

44. As held by the Supreme Court in BISWANATH PRASAD RADHEY SHYAM (Supra), the proper way to construe a specification is not to read the claims first and then see what the full description of

the invention is, but first to read the description of the invention, in order that the mind may be prepared for what it is, that the invention is to be claimed, for the patentee cannot claim more than he desires to patent.

45. The alleged prior arts relied upon by the respondents had been considered by the US Patent Office as also by the Indian Patent Office prior to the grant of the patent. The experts in the field i.e. the officials of the US Patent Office as also the officials of the Indian Patent Office have, not held that the three cited prior arts teach the elements of the subject patent or that there is obviousness of the elements to a person skilled in trade. In this view of the matter, the burden on the respondents was not only to show that there is a challenge to the patent but they also had to show a higher degree of credible challenge, which, in our view, the respondents have failed to show.

46. We are of the view that the appellants have been able to show a strong prima facie case in their favour. The appellants have denied the assertions of the respondents that the appellants were aware that the respondents had been selling the impugned mask since 2011. On the contrary, the assertion of the appellants is that they came across the respondent No.1 s product on or about second week of August, 2014 and, immediately thereafter, the subject suit was filed. Reliance is also placed on the catalogue available on the website of the respondent No.1 which refers to the infringing product as "New".

47. By the ad interim order dated 19.12.2013 in the suit, the respondents were restrained from manufacturing the impugned mask. The interim order dated 19.12.2013 was vacated by the impugned order dated 30.05.2014. By order dated 05.05.2015, in the present appeal, the operation of the impugned order was stayed and the interim order dated 19.12.2013 was revived and is in operation till date. We are of the view that the balance of convenience also lies in favour of the appellants and against the respondents.

48. In view of the above, the appeal is allowed. The impugned order dated 30.05.2014 is set aside. The order dated 19.12.2013 is confirmed till disposal of the suit.

49. IA No.20605/2013 (Order XXXIX Rules 1 & 2 CPC) is allowed and IA No.1276/2014 (under Order XXXIX Rule 4 CPC) is dismissed. There shall be no order as to costs.

SANJEEV SACHDEVA, J.

SEPTEMBER 19, 2016 BADAR DURREZ AHMED, J.
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